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# South and East Asia Report

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NOTICE

Effective 1 January 1983, this report series is being reorganized and retitled the SOUTHEAST ASIA REPORT. Material on the South Asian countries--Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka--that now appears in it will be published instead in the JPRS NEAR EAST/SOUTH ASIA REPORT. Also effective 1 January 1983, the JPRS VIETNAM REPORT is being discontinued. Vietnam material will subsequently be incorporated into the SOUTHEAST ASIA REPORT.

20 December 1982

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No. 1230

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## PRC SCALES DOWN SUPPORT TO ASIAN COMMUNIST PARTIES

Kuala Lumpur BUSINESS TIMES in English 27 Oct 82 p 19

[Article by Jim Wolf in Bangkok]

**[Text]** CHINA, long regarded as a revolutionary spook in non-communist South-East Asia, has taken another step away from the region's banned communist parties and their protracted insurgencies.

The move is the latest in what diplomats here and in Hong Kong consider an important scaling down of Chinese support after 30 years of training, arming and guiding the regional parties.

Chinese Communist Party secretary-general Hu Yaobang formalised the soft line during the 12th party congress in Peking last month, implying revolution was not for export.

"The success of the revolution in each country depends on the ripeness of conditions for it and the people's support," Mr Hu said in a keynote report.

"To issue orders or run things for others from outside is absolutely impermissible," he added.

Though Mr Hu's statement stopped short of an outright disavowal of South-East Asian communists, some analysts saw it as Peking's clearest step in that direction.

China began cutting overt support to overseas communists about four years ago as part of its present emphasis on winning friends to help tame pro-Soviet Vietnam.

**Topple**

The shift came after Vietnam swept into Kampuchea in late 1978 to topple the pro-Peking Khmer Rouge government, setting up an ag-

gressive Soviet-backed grouping on China's southern flank.

Peking has now turned away from the mostly Maoist-inspired insurgencies that had strained ties with Burma and the five members of the Association of South-East Asian Nations (Asean).

In July 1979, for example, it suddenly halted 17 years of beaming broadcasts from a station in southern China for the Communist Party of Thailand (CPT), which was a severe blow to a party already hamstrung by the falling out between key backers Peking and Hanoi.

Hanoi expelled the mainly ethnic Chinese CPT guerrillas from their sanctuaries in Laos and Kampuchea, confiscating their weapons and ammunition.

The CPT also lost its Chinese supply route through Laos and its armed strength is now put at about 7,000 men — half its 1978 peak.

A regional expert in Hong Kong said the fate of the Thai communists was "the best example" of China's end to actively assisting fraternal parties.

In an indication that Peking's gesture has not gone unappreciated here, Thai Foreign Minister Siddhi Savetsila said in August Thailand "understands" China's difficulty in severing all ties with the CPT and a Thai official told correspondents "it needs some time".

China played down its earlier attempt to distinguish between support

ing insurgents — which it calls a party-to-party matter — and improving government-to-government ties.

But China's gradualism in dealing with what it calls a "historical" problem remains a sore point with Thailand's Asean partners — Singapore, Malaysia, Indonesia and the Philippines.

One reason China does not completely repudiate the "heads-we-win-tails-you-lose" regional policy is its value as a policy lever on governments that could become hostile to Peking's interests.

Without the implied threat of stepped-up support to insurgents, some Asean members might adopt a more conciliatory policy toward Vietnam, China apparently believes.

China's other main reason for sacrificing goodwill to continue backdoor moral support to the parties is the fear that any quick turnaround would create a vacuum that could be immediately filled by the Soviet Union and Vietnam.

But even in Burma, where it might be considered important to preserve the party as a pawn, Peking has considerably reduced aid to the guerrillas as part of its wider effort to cement an informal regional alliance.

The decline in Chinese aid to the Burmese communists has forced them to rely heavily on revenue from opium, reportedly making them the biggest dealer in the no-

torious "Golden Triangle" over the past three years.

In the interest of broadening the anti-Vietnamese front, China is believed to have pressed the Thai and Burmese communist parties to end their insurgencies.

**Suspicion**

But suspicion of China's long-range plans remains strong in Indonesia, Singapore and Malaysia.

Indonesia suspended its relations with Peking in 1967 after accusing China of involvement in a abortive 1965 coup. Singapore, which also has no formal relations with China, has said it will establish links only after Indonesia does.

Malaysia resents China's links with the outlawed Communist Party of Malaya.

The regional non-communist states are believed to be watching warily the first high-level talks in three years between China and the Soviet Union for signs of a thaw between them.

For the time being, though, China's main overseas arms beneficiaries are the virulently anti-Soviet, anti-Vietnamese Khmer Rouge.

Ironically, while Peking has trimmed support to other overseas communist parties, it has boosted aid, including weapons supply, to the anti-communist forces of Son Sann and Prince Norodom Sihanouk in Kampuchea and rightist guerrillas in Laos. — AFP

AUSTRALIA

EXPERT CLAIMS COUNTRY IS HIGHLY VULNERABLE TO TERRORISM

Brisbane THE COURIER-MAIL in English 25 Oct 82 p 1

[Text] Australia was vulnerable to attacks from international terrorists, a leading defence expert said in Cairns yesterday.

The executive officer in the Strategic and Defence Studies Centre at the Australian National University in Canberra, Colonel Jol Langtry, said Australia was "extraordinarily vulnerable" to raiding parties, terrorists and guerrillas.

He added that Australia's ability to mobilise, if threatened with attack, was the worst since World War II.

Mobilising the army, navy and air force required complex planning, and was one of the greatest "inadequacies in our defence capacity."

"Gone are the days when we could count on mobilising over two or even three years under the protective umbrella of 'great and powerful' allies.

"The overall context of mobilisation has changed. Australia must become more self-reliant."

Colonel Langtry was speaking on the status of Australia's defence preparedness at a National Party defence seminar. He said long lead time requirements for support of a mobilised defence capability must be undertaken in peacetime.

"Australia's extremely limited defence resource base means civil resources must be used to the maximum," Colonel Langtry said.

But a middle-ranking nation such as Australia could not afford to maintain large standing defence forces in peacetime.

"The Department of Defence is designed for peace rather than war. It would be irresponsible to defer mobilisation planning any further," Colonel Langtry said.

The Federal Science and Technology Minister, Mr Thomson, said yesterday a special army reconnaissance unit should be set up on Cape York Peninsula and the Torres Strait islands.

Mr Thomson, a former Army brigadier with 30 years' service, said the special unit was necessary because of the north's proximity to a foreign country.

He was speaking at the National Party northern defence seminar at Cairns.

Mr Thomson said there was also concern in the north about surveillance and interception of illegal immigrants and drug smugglers.

CSO: 4200/6003

'VOPB' ON PEOPLE'S ARMY, SHAN REBELS BATTLE REPORTS

BK191346 (Clandestine) Voice of the People of Burma in Burmese to Burma  
0030 GMT 19 Nov 82

[Joint combat news of the people's army and the Shan State Nationalities Liberation Organization]

[Text] On 2, 3, 4 and 12 February, small joint forces of the people's army and the SSNLO [Shan State Nationalities Liberation Organization] launched attacks in (Paung Tan), (Mong Pu), (Lon Kwin) and east (Sinlio), resulting in 12 enemy soldiers killed and over 20 wounded.

On 16 March combined forces of the people's army and the SSNLO attacked the military government's mercenary 107th light infantry division at (Ngan Mauk Cho) on the bank of Nampan stream, killing five enemy soldiers. One carbine, 2 G-2's, 3 G-3's, 1 M-79 mortar with folding stock, 15 rounds of mortar shells and other military equipment were seized from the enemy.

On 30 April an ambush against the military government's mercenary 19th light infantry division at (Wan Tan) in (Mong Kyekwin) resulted in two enemy soldiers killed and two wounded.

On 10 May an attack launched by joint forces on (Mai Kwe) hill killed three enemy soldiers from the military government's mercenary 16th light infantry division and wounded two others.

On 31 May combined forces of the people's army and the SSNLO raided the camp of the 66th light infantry regiment and defense volunteers at (Pao San) in (Mong Kyekwin), killing six enemy soldiers. Five (?carbines) and over 300 rounds of ammunition were seized from the enemy.

On 3 and 5 June small combined forces launched guerrilla attacks against (Maik Cho) in (Mong Kyekwin) and (Wan Katlab), resulting in the death of three members of the military government's mercenary 16th light infantry division and the wounding of one.

On 21 June joint forces of the people's army and the SSNLO raided and seized the camp of the military government's mercenary 66th light infantry

regiment and defense volunteers in (Set Namlauk), killing 14 enemy soldiers and capturing 14 guns and over 700 rounds of ammunition.

On 28 and 29 June small joint forces of the people's army and the SSNLO launched two attacks at (Namchaw), north of Mong Pang road, and at (Wan Kew) ferry point on Nampan stream, killing 14 enemy soldiers and wounding 10 others.

CSO: 4211/8

'VOPB' GIVES COMBAT NEWS FROM SHAN STATE

BK210637 (Clandestine) Voice of the People of Burma in Burmese to Burma  
0030 GMT 21 Nov 82

[Text] On 28 November a small unit of the people's army launched a guerrilla attack on the enemy's Wan Seng camp. One enemy soldier was killed and two others were wounded in the attack. On the same day a guerrilla attack by a small unit of the people's army near (Hti-sao) village, southeast of Lai-hka, resulted in two enemy soldiers being wounded.

On 11 November an enemy soldier from the military government's mercenary 8th infantry regiment was killed in a guerrilla attack by a small unit of the people's army at (Hti-sao).

Combat news of the combined force of the people's army and the Shan State Nationalities Liberation Organization [SSNLO]:

On 4, 16, 19 and 27 August four attacks--at (Longpawk), east of Wan-yin; at (Wan Wa) in (Long Te) field; at (Hki Long); and at (Pang Lat)--by small combined units of the people's army and the SSNLO resulted in seven mercenaries being killed and six others wounded.

On 16, 27 and 29 September guerrilla attacks by small combined units of the people's army and the SSNLO at (Wan Hsawng); at (Shi Htat Toe), east of Hsi-hseng; and at (Cha Kang), north of (Set Nam) field resulted in 11 enemy soldiers being killed and 10 others wounded. On 31 October an ambush at (Htam Pa) by the combined force on the 2d column of the military government's mercenary 17th light infantry regiment, which had come out from (Wan Ma-na), resulted in 10 enemy soldiers being killed and 5 others wounded.

CSO: 4211/8

## CONVICT LABOR USED FOR DEVELOPMENT PROJECTS

Kuala Lumpur BUSINESS TIMES in English 20 Oct 82 p 21

[Article by Min Thu in Rangoon]

**[Excerpts]** IF A society is to be judged by its prisons, Burma has shown something else.

This closed socialist country is effectively using convict labour. In camps which use their labour, prisoners are steered toward contribution to national production and socialist construction.

"Repay the crime with sweat," exhorts the Prison Department's motto at some 10 convict work camps opened in various parts in the country. The camps are known as *yebet* camps, the prisoners *yebets*.

Instead of keeping them behind bars till their prison terms end, prisoners are given a chance to "redeem" themselves and prove to society they are useful in one way or another. Now, the government allows them to work on agricultural farms, livestock breeding centres, road construction projects and quarries. Work camps were opened where life is much more relaxed and where the prisoners' rehabilitation is supposed to be smooth and normal.

This chance for the prisoners to repay the crime with sweat is the outcome of the drastic prison reforms system initiated by Gen. Ne Win some two decades ago.

Addressing prisoners to be released under a general amnesty early in 1963, the then Revolutionary Council chairman told them short and simple - do not revert to crime and do not come back to prison.

Gen. Ne Win also promised them measures for their happy resettlement at their places of origin or their choice. The first convict labour camp was opened in Twante near Rangoon in 1976 to clear some 3,000 acres of virgin land for paddy, fish and livestock.

The 1,000-man has now 1,258.46 acres under paddy, three fishponds with 70,000 fingerlings, two more ponds stocked with local fish fingerlings, 1,780 ducks and 105 draft buffaloes.

A second 1,500-man convict labour camp was opened on Dec. 6, 1977 to clear 3,000 acres of virgin land for sugarcane to supply the local mill in Billin in lower Burma's Mon state. It has so far supplied 3,708.07 tons of sugarcane to the mill and has planted sugarcane on 233 more acres for this planting season.

Another camp for 800 men was also opened on the same day in the same town to grow sugarcane for the same factory after requisitioning 1,723 acres of unproductive land in the area. The camp has so far supplied 2,401 tons of sugarcane to the mill in addition to putting rice on 828 acres.

Another 1,500-man camp was opened in 1978 in Myiltha, off the ancient capital of Mandalay, to grow staple cotton on 4,187 acres. Because of the decrease in convict labour (many were released upon completion of their term), cotton was planted on only 3,158 acres, although some cotton was sold.

Many convicts were also being employed at the Rangoon-end of the Rangoon-Mandalay highway project which opened in April 1978 on the outskirts of this Burmese capital. They have so far cleared more than 50 miles of jungle, done 35,827 pits of earthworks and 43,514 pits of quarrying. They are also engaged in a parallel railway line construction.

## Crimes

Earlier in January that year, a 1,000-man camp was opened in the Irrawaddy divisional town of Wakema to clear 3,000 acres for jute. It has put 1,294 acres under jute and 230 acres under paddy to date.

Following the closure of the State Quarry Corporation and its mines, the Prison Department took charge of the quarry in 1979. This was meant as a second prison for convicts who committed serious crimes while serving the previous term, the place for real hard labour and rigorous imprisonment.

Inmates are mostly those who tried to escape prison work camps. It is a barbed wire camp and the inmates have to do very heavy quarrying work.

Two more camps were opened last year - one in the Kyaukthio area in the Mon state and the other in Kawthaung near the Thai-Burma border. The first one was a quarry transformed into a rubber plantation with nurseries already raised. The

second is a 120-man camp which grows oil palm on 50,000 acres and coconut on 1,000 acres.

One more camp was also opened in April last year in Myiltha off Mandalay. The task of the 250 inmates is to supply rations to other convict labour camps nearby and also for the Prison Department employees. Families of these convicts are freely allowed to visit the camps while the inmates are also given home leave or sent on ration-buying missions to Rangoon.

Most of them returned to their respective camps except for a few who tried to escape. After capture they had to do their work on legs chained with heavy iron.

Early this year, Deputy Home Minister Min Naung revealed that the number of inmates in these camps has decreased, mostly due to stepped-up crime prevention drives. Still, he said that rehabilitation work in these camps was running smoothly.

The state-run Press agrees, telling readers that people are bound to err sometimes. It says that under the "new corrective system," it is the duty of the state and society to help the unfortunate mend their ways and return to normal life.

When the state has created conditions to give the convicts the chance to repay crime in sweat, people must show magnanimity by accepting their payment and forgetting their past, one editorial said. — Depth-news

BURMA

BRIEFS

BATTLES IN KACHIN STATE--On 29 October, an attack by a small unit of the people's army near Sawlaw, Lauhkaung region, northeast of Myitkyina, resulted in one enemy soldier from the military government's mercenary 21st infantry regiment being killed and two others wounded. On 4 November, five enemy soldiers were killed in an attack by people's militia units in Chipwi township, northeast of Myitkyina. The rest of the enemy force fled.  
[Text] [BK280740 (Clandestine) Voice of the People of Burma in Burmese to Burma 0030 GMT 28 Nov 82]

CSO: 4211/8

## POLITICS AND FIJI'S PINE FOREST PLAN

Lagos DAILY TIMES in English 26 Nov 82 p 3

[Article by Sarita Singh]

[Text]

**O**NE of the great success stories of Fiji is its multi-million dollar pine industry. Brain-child of the country's Prime Minister, Sir Kamisese Mara, the pine forests are eventually expected to become a leading source of much needed foreign exchange.

Eighty-five per cent of the land on which the trees grow belongs to Fijians and the government has been careful to look after their welfare. An Act of Parliament was passed to ensure the eventual take-over of the industry by the landowners, once it becomes viable and all debts are paid.

But now that the trees, which are under the control of a statutory commercial body, the Fiji Pine Commission, are ready for harvesting, there is trouble in the forests.

A group of landowners under a young, sophisticated graduate in forestry, Ratu (chief) Osea Gavidi, is unhappy with the Commission's plans for the industry and a row has

broken out over who should get the lion's share of the potential annual income of 100 million dollars. Ratu Osea is an independent Member of Parliament.

**Proposals**

The row began when the Commission invited proposals from investors interested in entering a joint venture with it to develop the industry.

Several international firms, including British Petroleum, Shell and the MK Foundation of New Zealand, opened talks with the Commission, but an American company, United Marketing Corporation (UMC), led by its director Paul Sandblom, adopted an unorthodox approach which angered the government and the commission.

Sandblom, with the help of Ratu Osea, directly approached and secured the support of the pine landowners.

The trouble began when even before the commission had received all the proposals or

discussed them, the landowners decided that they wanted UMC to take over the commercial phase of the industry.

As the deadline for proposals drew near, eight landowners were flown to Hawaii, supposedly on a fact-finding mission. It was not disclosed who paid for their trip.

It is alleged that UMC, which was incorporated in Arizona, USA, in 1975, had connections with the US Phoenix Foundation — a free enterprise group which was involved in a dispute with the King of Tonga in 1972, when it unsuccessfully attempted to take over the kingdom's Minerva Reef.

The Phoenix Foundation was also said to have actively supported the Vanuatu rebel leader, Jimmy Stevens, who was jailed after his attempted takeover of the island of Espiritu Santo. It has also been accused of interfering in the affairs of other Pacific Island and

Caribbean countries.

Because of his links with Jimmy Stevens, Ratu Osea was ordered out of Vanuatu in 1976. It was later revealed that the private aircraft that had been allocated for Stevens' use through the Phoenix Foundation links, had flown Ratu Osea back to Fiji.

The pine forests row intensified when Ratu Osea claimed that some government Ministers and workers had held meetings with landowners to canvas support for the multinational giant Shell, which was reported to have offered an investment of something like 100 million dollars compared to the initial offer of slightly over two million dollars by UMC. UMC later increased this to seven million.

Ratu Osea claimed that a government Minister had threatened to bar Sandblom from entering the country. This could not be confirmed at first, but later Fiji's Minister for Immigration, Tomasi Vakatora, admitted that Sandblom had been declared a

prohibited immigrant and banned from entering the country.

When pressed to give the reasons for the ban, Vakatora disclosed that Sandblom had served a 15-year jail term in the United States for alleged fraud. Ratu Osea and the landowners continued their support for Sandblom and demanded that the government lift its ban.

Ratu Osea claimed they had known of Sandblom's conviction for some years. He had, he said, been convicted of an offence under Texas State law which was not an offence under US Federal laws.

When the Board of the Pine Commission met recently to decide who should get the contract, five of the landowners' representatives on the board, including Ratu Osea, boycotted the meeting and together with several hundred landowners and their supporters organised a sit-in demonstration outside the meeting hall.

After the board announced that it had decided to give the contract to British Petroleum, landowners put up roadblocks on public roads leading to the pine stations and attempted to stop a saw mill from operating.

The Royal Fiji Police moved in. The roadblocks were dismantled, the sawmill started operating again and 53 landowners, including Ratu Osea were charged. They were released on bail pending the hearing of their cases later in the year.

The arrests, charges and police presence managed to diffuse what had become a tense situation. But the row has by no means been resolved.

Recently, Ratu Osea claimed in Parliament that events in the pine industry showed that democracy was not being practised in the country. He said: "Our people in the pine areas are willing to go to jail to stand for their rights. They have to demonstrate their rage at what is going on in this country.

"They have two alternatives—by armed resistance or by peaceful demonstrations. They have chosen the latter.

"Our people are prepared to go to jail for that and to stand for that particular right".

The Commission and British Petroleum have engaged a firm of consultants from Finland for advice on commercially developing pine wood products from the industry.

The firm, Jaako Pöyry, specialises in establishing forest-based industries and will advise on, among other things, marketing, training, forest inventory, finance, employment and mill locations.

## Negotiations

But the dispute goes on. Recently, the landowners sent petitions to the Commission asking it to cancel its agreement with BP. They pledged support for Sandblom and called on the Commission to re-open negotiations with UMC and Shell.

## INDONESIA

### NEW ENTRY IN OIL EXPLORATION SECTOR

#### Promet Energy

Kuala Lumpur BUSINESS TIMES in English 20 Oct 82 pp 1, 22

#### [Excerpts]

RIG builder Promet Bhd is all set to go into oil and gas exploration in Indonesia with the imminent conclusion of a contract with state-owned Pertamina.

Promet is said to have won the contract from Pertamina through IJG

recently-established energy arm, Promet Energy Ltd.

Promet Energy is a Hong Kong-based company with subsidiaries in Singapore, Malaysia and Indonesia as well.

The Singapore unit, Promet Energy Services Ltd, is the company's operating arm.

Promet Energy is 80

per cent owned by Promet Bhd, while the remaining 20 per cent is held by Gannanoque Ltd of the Isle of Man, Britain.

Gannanoque is an affiliate of Gaffney, Cline and Associates, a US-based international energy consultant that is serving as technical adviser to Promet Energy.

#### Terms of Contract

Kuala Lumpur BUSINESS TIMES in English 22 Oct 82 p 3

#### [Text]

PROMET Bhd will spend a total of US\$55 million over the next six years to explore for oil and gas in Indonesia.

This follows the signing of an oil and gas exploration contract between Promet Arafura Ltd, an Indonesian unit of the Hong Kong-based Promet Energy Ltd and Pertamina, the state-owned oil corporation, in Jakarta on Wednesday.

Two other foreign oil companies also won contracts from Pertamina. They are Sceptre Resources Ltd of Canada and another Canadian

group comprising Hudbay Oil International Ltd, Pennzoil Asiatic Incorporated and Husky Oil (Manudra) Ltd.

The two Canadian groups will invest a total of US\$145 million over the same period.

For Promet, the contract marks its first venture in the Indonesian oil sector. It allows Promet Arafura to explore for oil and gas in an 18,315-square kilometre area of the Arafura sea, off Aru Island in southern Irian Jaya.

Besides the expenditure of \$55 million, Pro-

met must also pay Pertamina a US\$2.75 million fee as "information" bonus for the right to explore and develop the tract.

In addition, the company must pay other bonuses of up to \$19.5 million if crude production in the area reaches 75,000 barrels a day.

Sceptre will spend \$97 million over the six years for two contracts to explore two tracts in Java totalling 31,020 square kilometres.

It also has to pay Pertamina a signature bonus

of \$2 million and \$1.1 million respectively. If production reaches 200,000 barrels a day, it has to pay Pertamina additional bonuses of up to \$70.9 million.

The fourth contract, with the Canadian group led by Hudbay, will spend \$47.85 million in the first six years to explore a 13,970 sq km tract on Madura Island. It has to pay a signature bonus of \$1.5 million if production reaches 100,000 barrels a day in the area, the group has to pay Pertamina up to \$27.4 million in extra bonuses.

EDITORIAL OPPOSES 'EMPTY SEAT' IN UN, SAYS CGDK IS MORE THAN JUST DK

Paris MOUL KHMER in French Sep 82 pp 2, 3

[Editorial: "The United Nations: a Vote, a Test"]

[Text] The 37th session of the General Assembly of the United Nations opened on 21 September, and will continue until the end of December. It is already evident that its work will be largely dominated by the problems resulting from the crisis in the Middle East. Nevertheless this session will also be very important for the course of the Cambodian problem. Indeed, the Assembly will have to declare itself, without a doubt before the end of October, on the still pending question of Cambodia's seat in the United Nations. But this time the Assembly must decide in a new context, clearly different from what it was in previous years. For Cambodia's seat is no longer held by the Khmer Rouge alone, but by a coalition government formed last 22 June, a government in which the nationalists--represented notably by the Khmer People's National Liberation Front (KPNLF) have a place from now on.

Therefore in the future the UN member countries should no longer be tempted by the "empty seat" solution, since our country's seat is now held also by genuine Cambodian nationalists. For 3 years now these citizens have been conducting an active resistance against a foreign occupation that nothing could justify, an occupation which, moreover, the United Nations has formally condemned on several occasions in resolutions demanding the withdrawal of North Vietnamese forces from our territories. If then this international organization is consistent, as we firmly hope, it will have to confirm its earlier decisions and vote that Cambodia's seat be granted, beyond dispute, to the coalition government. Logically also, this solution should be approved by a greater number of countries now than when it was a question of knowing if this seat would be left to the "Democratic Kampuchea" of the Khmer Rouge alone.

The vote which will take place in October or November will also be a test. If it goes in the direction we wish, the existence of the coalition government will be confirmed indisputably. In the opposite case--not very probable it is true--it could be thought that the formation of this government was not as useful as we had the right to expect. But this vote will also be a test, because it permits us--nationalists who desire the liberation of our country--to count our friends, that is, the countries who declare themselves

unequivocally against the empty seat formula advocated by Hanoi and by those who support the designs of North Vietnamese expansionism.

However, for all that, a vote in keeping with our wishes and our legitimate aspirations, even if it is achieved by a very strong majority, will not resolve the Cambodian problem. For it will not, as if by enchantment, put an end to the occupation of the Khmer territory by 200,000 armed forces from Hanoi. Our struggle must therefore continue and, without a doubt, for a long time to come. We know indeed the stubbornness of the North Vietnamese, their determination to conserve the conquests they have achieved, through armed force and in defiance of all right. We will thus have to prove ourselves still through a long perseverance in the struggle of national resistance that we are maintaining against these foreign invaders. At least our position will be solidly reinforced by a vote of the United Nations on the side of right and justice.

That is, a vote that will make Hanoi understand that the Cambodian coalition government with Mr Son Sann as Prime Minister is the only one fit to represent Cambodia in the United Nations. A vote which will also signify that the fallacious solution of the "empty seat" is completely unacceptable, that there is no possibility that Cambodia's seat could one day be given to the current regime in Phnom Penh. For this regime represents nothing other than the sole interests of a foreign government. But do we still need to recall this indisputable evidence, definitively admitted by all the countries who are opposed to the law of the jungle in international relations? Countries which, to the advantage of our just cause, will fortunately, always form a substantial majority.

In all likelihood Hanoi will find itself anew in an isolated position. And this isolation will reinforce our chances to bring to fruition our battle for liberation, in which--for as long as it may last--we must not show discouragement in any circumstances.

9865  
CSO: 4219/5

VIETNAM SOLDIER, LAOTIAN FOREIGN MINISTRY OFFICIAL INTERVIEWED

Stockholm DAGENS NYHETER in Swedish 19 Nov 82 p 20

[Article by Peter Bratt: "Vietnamese Guard Laotian Revolution; Long Years in Leaky Huts"]

[Text] Vietnam has stationed about 50,000 soldiers in Laos. The world has accused the Vietnamese of wanting to create a Greater Vietnam consisting of Vietnam, Cambodia and Laos. But that is nonsense, says Phieuh Panh at the Laotian Foreign Ministry. He says that the Vietnamese troops arrived at the request of Laos to protect the country against China, and that the troops will leave Laos when the threat from China has ceased.

Nam Giap, Saturday--At the bridge across the river Nam Giap a small Vietnamese unit is posted. Corporal Nguen Van Dinh lives here together with about 10 comrades, a small black pig with a drooping belly that grunts and roots in the sand, three hens and a duck. Corporal Nguen is one of the approximately 50,000 Vietnamese soldiers in Laos.

The post is situated at the northern bridgehead of road number 4 which goes to Muong Mai, where the forest project paid for by Sida [Swedish International Development Agency] is located. Here, felled timber is driven down to principal road 13 at the Mekong river, which forms the border with Thailand.

Corporal Nguen's post lies a few kilometers south of Muong Mai. The army unit to which he belongs is responsible for security from Pakxan up to a new bridge construction project north of Muong Mai which will make it possible to exploit large new areas of the jungle.

Timber is expensive. It is needed for building up the country and also provides valuable export income.

Corporal Nguen is sitting on his cot in the barracks of the post. Here, this means a low scaffolding of bamboo reeds placed directly on the earth floor. On top of the bamboo reeds lies a thin straw mat on which he sleeps.

The barracks consist of a bamboo hut, thin half-rotten boards and a leaky roof, where old Vietnamese newspapers have been put up as protection against falling poisonous spiders and scorpions.

There are 10 cots in the hut, which has two exits without doors. Outside, the cicadas are chirping and shrieking, some birds are hooting and screeching in the nearby jungle, and the fat little black pig suddenly grunts.

"I have been stationed here for 2 years now. I don't know how much longer I have to stay. It depends on the international situation...."

"I live in the Vinh Puh province north of Hanoi, and...."

DAGENS NYHETER: But isn't that where that 'Swedish' paper mill Bai Bang is located?

Nguen and all the others laugh at the coincidence that a Swedish journalist far away in Laos by chance has run into a soldier from the Swedish-funded billion [-kronor] project.

"Like everyone else," Nguen Van Dinh continues, "I am homesick, of course. It is a strain to live the way we do and it creates personal problems. But I see it as international aid, and then the personal problems must come second."

The orders for the duties of the unit have been given by the regional Laotian administration in cooperation with the chief of the unit. At every bridge guards have been posted, who are often seen dozing during the day in a little bamboo tower under a roof of woven leaves.

"It is at night that we have our actual duty. We patrol our section of the road and guard the bridge. Nguen nods toward the Bailey bridge across the river Nam Giap. It is a simple military steel bridge with thick boards forming the road bed.

"They don't dare attack us here at the post, but sometimes there are fire fights on the roads, and it is clear that they want to destroy the bridge if they could."

Who are "they"?

"It is mostly reactionary forces from Thailand who cross the Mekong river. Some are simply bandits who come to rob, but there are also Meo units."

During the war the U.S. intelligence service CIA supported strong units from the Meo people which originally immigrated from southern China and settled in the mountains of northern Laos. The Meo people was used to fight the Pathet Lao forces, in particular up toward the Plain of Jars.

Nguen and his comrades live practically isolated from the local Laotian population. Sometimes they are asked by some nearby village to help with harvest work, and they have nothing against that because then they get an occasion to flirt with the Laotian girls.

"There are no regulations that say we can't talk to anyone we want and move freely among the people here. No one forbids us to flirt with Laotian girls if

we want to, but the language is difficult, for one, and then the military discipline, which is strict, sets clear limits which prohibit all excesses."

During the day the soldiers of the little bridge post mostly idle around the huts, work their little garden plots in a spot behind the post and try to sleep before patrol duty in the night.

Their weapons are old Kalashnikovs, and the strap of Nguen's weapons is frayed. The little unit probably also has a light machine gun and perhaps a few mortars.

Their existence is not without risk. Swedish development workers tell of several Vietnamese soldiers having been shot on patrol in the jungle near forest project number one.

A few tens of kilometers west of Pakxan on road number 13 toward Vientiane lies the wreck of a heavy Soviet truck. It was destroyed on 4 November, probably by an antitank grenade, and is totally burned-out.

Nguen Van Dinh is 23 years old. To the question of whether he is married, he shakes his head and looks sad. If and when he will be able to go home and marry is not up to him but to "the international situation."

Vientiane, Sunday--"We live under a very powerful military threat, Primarily from China to the north, but also from forces which China and the United States have built up from Laotian refugees in Thailand. This is why we asked the Vietnamese army to come here. We are only 3 million and cannot manage the tremendous defense task by ourselves." This is what Phieu Panh at the Laotian Foreign Ministry says.

Phieu Panh is in charge of Western issues at the Foreign Ministry. There are about 50,000 Vietnamese soldiers in Laos. Does this mean the country is occupied? Does Vietnam have ambitions to create a Greater Vietnam consisting of Vietnam, Laos and Cambodia?

Phieu Panh replies: "We have had war for 30 years. We have fought for our liberation together. Twice before it became possible for Vietnam to bring its troops home. That was in 1954 after the French defeat and in 1973."

"In 1977 at our request we signed a treaty with Vietnam for military support because of the Chinese threat in the north. China is attempting to expand and considers all of Southeast Asia as belonging to China."

"But to ask a country to send an army here, to see its children die or be wounded for our sake, is not an easy thing to ask. It was because of the very strong historical ties between the countries that Vietnam agreed to our request. But it is a temporary presence. The day we succeed in establishing peaceful co-existence with China, Vietnam will bring all of its soldiers home."

"Repeatedly, in many different and flexible ways, we have tried to talk with the Chinese, but each time they have rejected us."

"Four-fifths of our territory was destroyed during the war; 160,000 people had to be evacuated and tens of thousands of people died. The United States which created all the destruction to this day has not paid a dollar to help us rebuild the country. Who have helped us? Primarily Vietnam and the Soviet Union."

"As tense as the situation is now, it is militarily impossible for us to achieve enough effort to get the economic development under way. China has infiltrated the Thai communist party which is now fighting against us. It is a tremendous power. China is establishing forces consisting of Laotian refugees who left the country after the 1975 liberation. In cooperation with the reactionary forces in Thailand China is sending commando troops across the Mekong in order, among other things, to try to murder key persons in our administration."

"The United States as well is forming similar units in Thailand. We cannot mobilize the entire population in order to place a soldier on every meter along the Mekong river. That is why we need the help of the Vietnamese."

"But after 30 years of war we know the value of independence, and this is what we have been making propaganda for in the schools since 1975. The Vietnamese forces are positioned where the threat is the greatest. Those decisions are taken by Laotian authorities. All important decisions are taken by the Central Committee and are then carried out all the way down to the local level. They know that they must follow our cultural values and our moral opinions. Vietnamese soldiers who do not behave are moved immediately."

"We are tired of war. We must get peace in order to build up the country."

11949  
CSO: 3650/47

## GENERAL SLOWDOWN IN ECONOMY IN 1982

## World Recession Blamed

Kuala Lumpur NEW STRaits TIMES in English 23 Oct 82 p 14

[Text]

**THE Economic Report**, which is traditionally scattered with section-headings trumpeting growth and expansion, is short on optimism this year. For 1982, the news is almost all bad.

The prolonged world recession which caused a slowdown in the Malaysian economy in 1981, hit every sector of economic activity hard this year.

The prices of all of Malaysia's major commodities dropped, most for the second successive year, causing a serious fall in export income. As a result, consumers had less to spend and save and private sector investment slackened.

Perhaps more serious, considering the expansionary role the Government has played in the economy over the past two years, government revenue from export duties and income tax dropped to such an extent that the Government was forced to cut development spending for 1982 by \$4 billion.

The weak GDP growth rate of 3.9 per cent for this year was, consequently, generated more by private rather than public sector activity, in contrast to the past.

Not only prices came down for all of our export products (except sawn logs). Output was also cut, as farmers and businessmen sat out bad times by consolidating or contracting their activities.

Generally then, Malaysia produced less this year and was paid less on the world market for what she did produce.

Rubber production declined by eight per cent; the output of sawn logs and pepper also dropped. Only a significant increase in palm oil production allowed the agriculture sector to record a growth rate of 1.9 per cent — down from the 8.8 per cent growth of last year. Prices of palm oil, however, dropped for the first time.

### Tin price slide

Similarly, only a 15 per cent increase in the amount of oil Petronas allowed its contractors to take out of the China Sea boosted growth in the mining sector by 3.9 per cent. However, Petronas was forced to revise prices downwards twice during the year. Therefore, although increased oil production helped raise revenue for the Government, Malaysia was selling a wasting asset in larger amounts at a time when returns are low.

Tin production continued its slide, dropping by 18 per cent as against two per cent in 1981. Tin price also dropped by 29 per cent, against a 15 per cent drop last year.

Manufacturing, the dynamo behind the Malaysian economy from 1978 to 1980 (when it averaged growth rates of nine per cent), slowed down to 3.8 per cent this year, the second continuous year of sluggish growth.

Export-oriented manufactures were especially badly hit and a Mida survey found that nearly half of all manufacturing firms were operating below 75 per cent capacity.

The leading growth sector, as in previous years, continued to be construction, which is fuelled by domestic demand and government spending and is not dependent on export markets.

Growth was seven per cent, well above other sectors. The only slackening was in private residential housing where coupled with the high cost of loans, developers had priced themselves out of reach of the majority of the population.

An outstanding feature of the Economic Report, reflecting the changed cautious stance on government spending, is the contracting government share of the services section.

In 1981, government services expanded at the high level of 15 per cent. Expansion this year will be only 8.4 per cent, mainly to cater for normal wage increases, while next year's growth will come down to 1.1 per cent. This reflects the effort to keep operating expenses within the limits of lowered revenue collection.

Despite all the bad news, however, there are still signs of resilience in the economy. Private consumption slowed but was still able to provide a moderate impetus to growth.

Similarly, private investment felt the impact of business uncertainties over when the export market would recover and was hit by high interest rates. But it still grew in real terms by 9.8 per cent.

### Oil investment

Continued upstream investment in offshore oil fields boosted oil investment to \$4 billion at current prices.

Public investment is expected to grow by 10 per cent against a 33 per cent increase last year, as lower priority projects are deferred. However, projects directly related to the NEP or those which increase the productive base of the economy will be retained.

MAB and MISC purchases of aircraft and vessels cost \$627 million and nearly \$2 billion was committed by HICOM for cement and sponge iron/billet plants. Public spending on develop-

ment, therefore, in spite of the austerity drive, was mildly expansionary.

Malaysia's trade balance, traditionally in surplus, recorded a deficit this year for the third year running.

Merchandise exports declined to \$26 billion or by 1.7 per cent while imports rose (in price rather than volume) to \$28 billion or by seven per cent. The merchandise deficit, therefore, totalled 2½ billion ringgit. The usual drain on the services account increased to \$6 billion, compared to just over \$5 billion last year and half a billion ringgit in 1980.

In spite of the larger inflow of long term capital, the basic balance is expected to record a deficit of \$815 million.

Weaker domestic demand and a slowdown in imported inflation at least meant that the infla-

tion rate moderated in 1982.

Although the inflation in food prices remained high at nine per cent, other components of the CPI basket increased in price by only about four per cent.

In spite of labour shortages in agriculture and construction, unemployment will rise slightly this year to an estimated 6.2 per cent, from 5.7 per cent last year.

Most workers will be earning the same wages at the end of the year as they did at the beginning. Compared to the 154 collective agreements signed in the first half of last year in the private sector and the large increases in wages for government servants in 1980, only 55 wage agreements were signed in the first six months of this year.

## Faulty Predictions

Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 p 2

[Text]

ECONOMICS as a predictive science may be less reliable than astrology — if the record of the last five years is any indication. Since 1979, in tune with Governments all over the world, the Malaysian Treasury has predicted a turnaround in the world economy. Instead, OECD countries have slipped deeper and deeper into recession.

Malaysian budgetary strategy, which is based on informed guesses as to what will happen over the coming year, has therefore been expansionary and counter-cyclical, pumping public money into the economy to stimulate growth in the face of sluggish export earnings and a weakened private sector.

Each year such economic priming is seen as a stopgap measure to maintain growth rates until the expected world upturn, next year. Only, next year has never come.

As a result, the predictions on which the successive budgets have been based have been out by significant amounts each year.

But never worse than last year when the turnaround became deeper recession.

The 1982 Budget, presented a year ago, projected a GDP growth rate of 7.2 per cent. The actual growth rate for this year is not likely to be 3.9 per cent.

The overall budget deficit for 1981 was expected to be only \$8 billion. Because of lowered revenue from export duty and higher expenditure, the actual deficit in Government spending topped \$11 billion.

Estimates of Government revenue are based

on speculations as to how much profit companies will make and how much tax they will pay, and how much export duty the Government will be able to collect.

Calculation of likely prices in the world market for commodities, like rubber, are crucial to these predictions.

Last year, the Treasury predicted that rubber prices, which had been depressed for a year, would pick up in 1982 to almost \$3 a kilogram.

## Large margins

Instead this year's average is close to \$2.

For manufacturing exports, the Treasury expected a growth of 17 per cent in value. Instead the value of manufactured exports contracted by 5.5 per cent.

As a result, prediction of growth in all sectors were out by large margins. Agricultural growth, projected to rise by 3.2 per cent recorded an actual growth of only 1.9 per cent. Manufacturing, which the 1982 Budget estimated to grow at 10 per cent, recorded an actual growth of only four per cent. Even this was less far out than the prediction for this year of a growth at 10.8 per cent. The actual growth for 1982 is likely to be 3.5 per cent.

If that is the record for the Treasury guesswork for the last three years, what credence can be given to this year's Budget estimates? The Economic Report says "There is guarded optimism that the long awaited and elusive economic recovery would gradually materialise in

1983."

On this basis, estimates of commodity prices and economic growth are higher than the low levels recorded for this year.

But the "guarded optimism" is based on some concrete indications. Interest rates in the United States, crucial to recovery, have come down slightly.

### Safeguards

Monetary policy has succeeded in moderating inflation in the OECD countries.

But in the last resort, as a Treasury source admits, Malaysia must depend on the assessment of the OECD Governments themselves — and almost all of them expect a slow but sustained recovery to take place next year.

But even if the recovery is slower and later than expected, the Treasury has built safeguards into the Budget.

Its predictions of growth and, therefore, of Government spending are cautious. There will be no confident spurt of spending on development or any more borrowing sprees.

The Government expects a lowered income tax collection next year because of lowered profits in 1982.

In addition, no figures have been given in the Economic Report for either domestic or foreign borrowing over the next year.

This will give the Government the flexibility to restrain its borrowing until the signs of recovery in the world economy are more solid, or until the money is urgently needed to close the deficit.

### GROWTH (in %) — slowdown

	1981 (est)	1981 (act)	1982 (est)	1982 (act)
Overall GNP growth rate .....	6.8	6.9	7.2	3.9
Agriculture .....	3.1	5.3	3.2	1.9
Manufacturing .....	10.0	4.0	10.8	3.5
Construction .....	12.5	9.0	12.8	7.0

### DEFICITS — wider than expected

Govt Spending:				
Overall budget deficit .....	-8,149m	-11,015m	-10,434m	-10,434m
Trade & Services:				
Bal. of payments current account deficit .....	-5,578m	-5,286m	-6,476m	-8,649m

CONTRACT FOR REFURBISHING SKYHAWK JETS NOT YET AWARDED

Kuala Lumpur NEW STRAITS TIMES in English 20 Oct 82 p 6

[Text]

EIGHTY-EIGHT Skyhawk jets bought by the Government are still in Tucson, Arizona, lying in the desert awaiting refurbishing.

Deputy Defence Minister Abang Abu Bakar told the Dewan Rakyat yesterday that no contractor had been engaged to carry out the refurbishing work.

He said in reply to Encik Ismail Arshad (BN-Jerai) that it would take some time before a contractor was engaged by the Government.

The Government had to study carefully and in detail the refurbishing plans forwarded by the contractor to ensure they were suitable, he added.

The refurbishing work would have to be done with utmost care to avoid exorbitant costs and also to ensure that the allocations provided for the project were not wasted.

As to why the jets were being kept in the desert, he said the Davis Monthan air force base in Tucson was the best place for them as it was

the place where the American Government kept all its used jetplanes, he said.

The desert with its low humidity could keep the planes corrosion-free and they were in the preserved-cocoon state until refurbishing work was carried out.

**'Effective'**

The Deputy Minister also said in reply to Mr Lim Kit Siang (DAP-Kota Melaka) the Government had no intention of postponing the Skyhawk project even though there is an economic slowdown.

To another supplementary question from Mr Chan Kok Kit (DAP-Sungai Besi), Abang Abu Bakar said the Skyhawk is effective as it has a minimum of 5,000 flying hours and a maximum of 7,000 to 8,000 flying hours.

Thus a Skyhawk could last about 10 years at the minimum, he added.

CSO: 4200/519

## DATUK ASRI RESIGNS AS PRESIDENT OF PAS

Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 p 2

[Article by Zainon Ahmad]

[Excerpts]

**KUALA LUMPUR,** Sun. — Pas unity will not be affected by the resignation of Datuk Asri Haji Muda as party president, its acting deputy president Ustaz Fadzil Noor said today.

Asked to comment on Datuk Asri's resignation, Ustaz Fadzil pointed his finger at the delegates and said: "Come and see for yourselves. Do you see any sour faces?"

PAS old guard Datuk Asri Haji Muda made his exit amidst mounting pressure from the party's young Turks who have accused him of being a stumbling block to party unity and progress. He decided to resign the presidency of the party, once thought by the Malays to be an alternative to Umno, "to avoid continuing internal squabbles which will not be good for the party's struggle."

Asri has been a moderate leader and a reasonable member of the Opposition. But his ways no longer have any appeal with the younger groups now in ascendancy in the party. A proud man, he had no choice but to resign. "I feel my capacity to lead Pas the way it has been led, has reached a stage that has caused me to make this decision."

Though the way is now open for one of the young Turks to take the presidency, disagree-

ment among them may threaten party unity to an extent never known before. Already, with Asri's resignation the common purpose that has held them together has been removed.

Despite all sorts of allegations against him by pockets of opposition within the party, when he was its president Asri held the party together for more than a decade. His image as a Pas leader and his oratory had wide appeal not only among the ranks of party members but among the rural Malay masses.

**Presence**

Kelantan was his bastion and having captured the State from the Alliance in the 1969 general election, both Pas and Asri had successfully defied attempts by Umno to recapture the State in 1974, 1980 and 1976.

In 1984, he was the Kelantan Menteri Besar, resigning only after the 1974 general election (during which time he had already led the party into the Barisan Nasional) to become Land and Regional Development Minister in the Federal Cabinet.

During this period, he was the undisputed leader of Pas. From this position of strength he managed to mould the party "in his own image" to an extent that "Asri was Pas and Pas was Asri."

Under his leadership, Pas maintained a

strong presence in Trengganu and a firm footing in Perlis, Perak and Penang.

However, when he led the party into a coalition with Umno in the Alliance in 1972, and later into the Barisan Nasional in 1974, dissenting voices were heard. These later snowballed into noticeable opposition groups when Pas began to feel uneasy in the Barisan.

In 1977 he pulled out of the coalition. But, meanwhile, trouble had broken out in Kelantan, especially after his expulsion of Menteri Besar Datuk Mohamed Nasir from the party. The decision was unpopular and caused Pas to lose many of its followers, who later formed Berjana under the leadership of Datuk Mohamed.

In the March 1978 State election, Pas was routed, winning only two seats. Losing Kelantan was a blow to the party and the leadership of Asri. Rejected by his own home State, Asri moved to Kedah to contest in the July 1978 general election.

He lost. And, for the first time since 1959, Asri was without a seat.

Meanwhile, opposition from the younger members of the party was growing. Even though the party gained some seats in the April general election where Asri clinched a State seat in Kelan-

tan, opposition against the one-time "handsome, silver-haired Mr Kelantan" was mounting. The young Turks, most of whom had the benefit of higher education at home or abroad, had become disillusioned with Asri's moderate leadership style.

Like most of his contemporaries in Pas, Asri began life as a religious teacher and first took an active interest in politics in 1945 when he was a member of API (Angkatan Pemuda Islam), a political youth movement.

He was also a member of the Hisbul Muslimin (an Islamic political party) until it was dissolved during the Emergency.

Pas (then popularly referred to as the Pan Malayan Islamic Party or PMIP) was formed in 1951, but Asri only took an active interest in its affairs in 1953. He rose quickly in the party hierarchy.

He became acting secretary-general in 1964 when he also became the commissioner for Kelantan. He was elected vice-president in 1968 and held the post until 1984, when he became deputy president following the death of Prof. Zukifli Muhammad in a motor accident.

As the health of the then president, Dr Burhanuddin Al-Helmy, was not good, Asri became the acting president. He was confirmed in the post in 1971.

MALAYS WARNED AGAINST FOLLOWING DEVIANT SECT

Kuala Lumpur NEW STRaits TIMES in English 24 Oct 82 p 1

[Text]

PONTIAN KECIL, Sat.—Malays who follow the Qadiani teaching will lose their status as Malays, Datuk Musa Hitam warned today.

The Deputy Prime Minister said all States in the country have issued fatwas (ruling) that the Qadiani teaching is outside Islam.

Datuk Musa said he would convene a meeting of the inter-religious committee to deal with the problem of deviationist teaching which is becoming widespread in the country not only

among Muslims but also other faiths.

Expressing concern over the increasing number of Malays who are becoming followers of the outlawed teaching, he said:

"All the States have issued fatwas that the Qadiani teaching does not conform to Islam.

"The Federal Constitution explicitly states that a Malay is one who practices Islam.

"The implication is that any Malay who follows the Qadiani teaching will no longer be classified and accepted as a Malay."

Datuk Musa was speaking at the opening

of the Masjid Jamek and the Sekolah Parit Haji Adnan in Pekan Nanas, about 25 km from here.

He said the deviationist teaching was preached in Johore many years ago but the State was the first to decree that it was not in line with the true teaching of Islam.

"But now we see the re-emergence of followers of this sect among Malays in various parts of the country and it is becoming widespread," he added.

Datuk Musa said materialism brought about by rapid development in the country is now going

hand in hand with spiritualism.

What he feared was that in the revival of spiritualism, deviationist teaching would emerge which would confuse the followers of Islam and other faiths.

He added that Malays were also following the outlawed Crypto movement.

The followers of other faiths were also faced with deviationist teaching, for example, the Pai Tien Gong movement among the Chinese.

To overcome this problem, Datuk Musa said, he would convene a meeting of the inter-religious committee. It will be attended by representatives of the Muslim, Christian, Hindu, Buddhist and other faiths.

The meeting, he said, would help in the exchange of views and overcome the problem of deviationist teaching especially among the Malays.

CSO: 4200/519

FILIPINO REFUGEES RETURNING HOME FROM SABAH

Kuala Lumpur NEW STRAITS TIMES in English 24 Oct 82 p 9

[Text]

**KOTA KINABALU, Sat.**  
— The Filipino refugees who have been under the protection of the Sabah State Government since 1972 are steadily going back to their homeland in regular batches.

It was learned from official sources at the UNHCR (United Nations High Commissioner for Refugees) office here that those leaving are doing so without being forced or encouraged to.

Sabah saw a mass influx of refugees from neighbouring islands about ten years ago when heavy fighting broke out between Muslim separatists and Government forces in the nearby southern region of the Philippines.

Since the large exodus, thousands of people have been trickling into the State in unknown numbers and have been granted refugee status by the UNHCR.

The world organisation has also been assisting the State Government in providing international legal protection to the refugees while at the same time resettling them in proper settlement areas.

Not even the UNHCR could quote the number of refugees who were leaving or had already left Sabah. Nor could anybody, including the Department of Refugee Settlement, offer an estimate of the number of refugees still in Sabah.

The sources said this difficulty arose because of the mobile nature of the refugees themselves, who come and go without any official sanctions.

Even though the UNHCR had built four large refugee resettlement areas — in Kota Kinabalu, Labuan, Semporna and Tawau — there are still thousands who illegally squat on Government and private property.

These squatters have caused resentment among the local population who say the refugees are blocking a number of development plans.

But the refugees have turned out to be an invaluable source of cheap labour for the State, which was facing a shortage due to an accelerated pace of development in recent years.

The sources said it could be proven statistically that the majority of labourers in construction are Filipinos while those in estates and commodity plantations are Indonesians, though the latter are more defined as immigrant labour.

Those Filipinos leaving were seen to be in robust health and excitedly looking forward to returning home. During the past month, almost every week groups of between 40 to 70 refugees assembled near the marine police jetty and patiently waited for a boat to take them back.

"These people want to go back," said the UNHCR.

CSO: 4200/519

## SHARP INCREASE IN COAL CONSUMPTION FORECAST

Kuala Lumpur BUSINESS TIMES in English 28 Oct 82 p 22

## [Text]

**MALAYSIA** is expected to start consuming coal in large quantities in three or four years when the first coal-fired power station starts operations and existing cement plants complete the conversion to coal-firing.

Executive deputy chairman of Malaysia Mining Corporation Bhd Encik Abdul Rahim Aki said at an energy seminar yesterday that Peninsular Malaysia is likely to use about 7.4 million tonnes a year by 2003.

MMC, he said, has been active in promoting coal as an alternative energy source and has played a considerable role in organising its procurement and the necessary handling and distributional facilities.

Encik Rahim said his forecasts for coal use in the country were not derived through "highly technical techniques" but by "a simplified method using probable ranges".

Discussing the Na-

tional Electricity Board's requirements for coal use in new power plants, he said it was likely that 4.5 million tonnes a year would be needed.

The first coal fired power plant at Port Klang with a 600 megawatt capacity will come on stream in 1984. Over the next six years, the NEB will be installing new capacity totalling 3,442 Mw bringing the total installed capacity to 8,824 Mw in Peninsular Malaysia.

By 1988, coal-fired plants were expected to account for about ten per cent of the power generating system.

Referring to the conversion of cement plants, he expected that by the end of next year, all cement plants would be using coal instead of fuel oil.

Based on the current cement plant capacity of 3.7 million tonnes a year and capacity under construction of 2.4 million

tonnes a year, annual coal consumption in Malaysia would reach 920,000 tonnes by 1988.

Proposals by Tasek Cement and CIMA to increase capacity by an additional two million tonnes capacity have been approved by the government.

When these are implemented, a further 270,000 tonnes of coal will be needed, bringing the total consumption to 1.19 million tonnes by the year 2000.

Other industries were likely to use about 650,000 tonnes by that year, Encik Rahim said.

While Peninsular Malaysia's coal demands will largely be met by imports from Australia, Canada and the US, it is expected that Sabah and Sarawak will contribute from their output of about two million tonnes a year by the end of the 1980s.

Noting that the importation of huge vol-

umes of coal would need proper handling and distribution facilities, Encik Rahim said the coal terminal at Port Klang would be able to unload vessels up to 80,000 dead-weight tonnes when it is completed in 1985.

Malayan Railway is also preparing the required rail facilities to reduce the expense of road transport.

Turning to the environmental problems, Encik Rahim said the NEB and cement manufacturers have taken steps to buy coal containing minimum toxic matter.

"The average sulphur content of coal to be purchased by the NEB will contain no more than 0.6 per cent total sulphur.

This is significantly lower than the sulphur content in oil that is currently being burned."

Coal with high chlorine and phosphorus levels will not be considered, he added.

CSO: 4200/519

## MAHATHIR CRITICIZES DEVELOPED COUNTRIES AT CHOGRM

## Ailing Economies Hit

Kuala Lumpur BUSINESS TIMES in English 16 Oct 82 pp 1, 22

[Article by Hardev Kaur in Suva]

## [Excerpts]

DATUK Seri Dr Mahathir Mohamad has called on the industrially developed countries to talk less of their generosity in providing assistance to poor nations and "do something" about their own ailing economies.

The Prime Minister said that they should undertake a thorough soul searching examination with a view to increasing their own productivity and not resort to their exploitative activities.

"Only then can they begin to sincerely appreciate the problems of the poor nations and the need to resolve them urgently," he added.

Speaking on the second day of the five-day Commonwealth Heads of Government Regional Meeting (CHOGRM) in Suva, Fiji yesterday, Dr Mahathir pointed out that until lately the productivity of the developed countries could be sustained even with labour problems.

This, he added, was possible because they "had their colonies to lean on." But now, without their colonies and their areas of influence it is no longer possible for these countries to maintain their once enviable economic growth, "especially when workers are not prepared to work for so many hours a day and for so many days a week."

Dr Mahathir said that CHOGRM should now bring home the point to the developed countries that their exploitative ac-

tivities under the umbrella of the free enterprise system are self-destructive.

He felt that there still existed a lingering mentality within the free enterprise system that because of the emphasis on the word "free" some industrially developed nations really feel free to scour and devour the developing nations by their exploitative methods and practices.

He added they seemed incapable of realising that such libertine activities would only lead to the destruction of the free enterprise system.

The Commonwealth countries in the region, he said, represented a "microcosm of the world at large," with more differences than similarities and were at different levels of economic development.

While on the one hand there were the developed countries like Australia, on the other there were the newly independent small countries of the South Pacific. In between these two extremes there was a wide range of more advanced but still developing countries.

This situation, the Prime Minister said, "provides a real challenge and potential for regional economic and functional cooperation."

The opportunity and the need exist for the developed members to assist those which were less developed. Since most of the countries were developing, Dr Mahathir

added that there existed a challenge for cooperation among the developing countries themselves to assist each other on a regional basis.

The Prime Minister said that Malaysia saw the need for the injection of greater assistance to the South Pacific island countries to enable them to build up their national resilience and independence.

While Malaysia was dependent on technical assistance to accelerate the pace of economic development, it has, in the spirit of cooperation, launched a technical assistance programme to assist those which were less fortunate than itself.

The Malaysian Technical Assistance Programme (MTAP) is providing assistance to a number of South Pacific island countries including Fiji, Western Samoa, the Solomon Islands and Papua New Guinea.

Dr Mahathir said that in view of Malaysia's financial constraints the technical assistance had to be on a modest scale and was generally confined to areas where Malaysia had, over the years, gained some experience and expertise.

He gave the assurance that this assistance to a number of developing countries in the CHOGRM area would continue and added that it was Malaysia's intention to concentrate on areas that would be particularly beneficial to the receiving countries.

Dr Mahathir added that Malaysia was aware that such piecemeal efforts undertaken by a number of countries would not generate the rapid improvement that was needed.

"However, if concerted and continued efforts are made in this direction, I am sure that we would have gone a long way to help these countries," he noted.

This kind of functional cooperation in the Asia Pacific region was one way to revitalise the Commonwealth, he said, adding: "As a matter of fact, the Commonwealth is now on test."

If the Commonwealth countries in the region could not put into practice economic and functional cooperation, the prestige of the Commonwealth itself "will go down and the effectiveness and value of the Commonwealth will be questioned," he warned.

The Prime Minister said that regional cooperation as demonstrated by Asean — in agriculture, energy, banking, finance, and transport — led to positive results not only in economic areas but also contributed much to regional stability.

CHOGRM, Dr Mahathir said, could benefit from the Asean experience. Although what was applicable to Asean may not fully be applicable to CHOGRM, the Prime Minister was convinced that the members could identify areas of common concern on which functional cooperation was possible.

## What Malaysia Wanted Most

Kuala Lumpur NEW STRaits TIMES in English 22 Oct 82 pp 1, 4

[Text]

**KUALA LUMPUR.** Thurs. — Malaysia achieved what it "wanted most" on the Kampuchean issue at the just-concluded Commonwealth Heads of Government Regional Meeting (CHOGRM), Datuk Seri Dr Mahathir Mohamad said today.

"India has accepted the need to note that in fact there is a coalition government of Democratic Kampuchea accredited to the United Nations without dispute from anybody," he said. "To us, that was what we wanted most."

Datuk Seri Dr Mahathir returned last night after a stopover visit to Papua New Guinea.

He said there was a lot of bargaining on the wording of the Kampuchean issue in the CHOGRM communique.

India had a definite stand on this issue, he explained.

New Delhi, represented by External Affairs Minister Narasimha Rao, wanted the inclusion in the communique of Vietnam's announcement of a partial troops withdrawal from Kampuchea and Vietnam's consultation with her neighbours in the region.

### Assistance

"We doubted the sincerity of Vietnam. However, we were prepared to note that it

had made the announcement to withdraw and up to that point, we could agree," said Datuk Seri Dr Mahathir.

"Whether it can be proven that there is an actual withdrawal is something else. What is a recognised fact in the world is that there is a coalition Government of Democratic Kampuchea."

The Prime Minister also did not dismiss the possibility that the Asian and Pacific countries might assist and support the coalition partners of Kampuchea.

"These countries have noted the formation of the coalition government in the communique, which means they acknowledge it, and I am not saying it is not possible to expect assistance from them."

Reviewing the five-day summit attended by 14 leaders from the Asian-Pacific region, he said it was a useful forum to Malaysia, which aspires to extend ties with the small island nations in the Pacific.

He added that CHOGRM was particularly useful in that it made it possible for the smaller member countries to voice their problems openly.

Datuk Seri Dr Mahathir said the participating countries concurred on numerous matters as contained in the communique, among them:

**On the Middle-East and Lebanon** — The heads of government urged that the sovereign rights of the Palestinians be recognised, including their right to a nation of their own. They also expressed their revulsion of the massacre in Beirut.

**On Afghanistan** — The leaders stressed the importance of a political settlement, withdrawal of foreign forces and a respect for its

independence and sovereignty. The Afghan refugees should be given the opportunity to return to their homeland and the right to determine their future;

### Protectionism

• On a zone of peace, freedom and neutrality — The heads of government supported and thanked the countries that have given protection to refugees and those that had accepted the refugees for resettlement;

• On the South Pacific — The leaders supported the island States' efforts to ban nuclear testing and dumping of nuclear waste in the Pacific. The countries' desire to have a nuclear weapon-free zone was noted;

• On the Law of the Sea — CHOGRM deplored the US decision not to become a part of the Law of the Sea Convention;

• On economic issues — The leaders regretted protectionism and anarchy in the international financial system;

• On commodities — The heads of government supported the co-operative efforts by producer countries to overcome the problem of price fluctuation in the international commodity market;

• On international trade — CHOGRM supported the free trade system without protectionism and called for a Ministerial meeting on the General Agreement on Tariff and Trade (GATT) to reduce protectionism.

CSO: 4200/519

FACING FACTS ON BUDGET DEFICITS URGED

Karachi BUSINESS RECORDER in English 18 Nov 82 p 2

[Text]

Our balance of payments has been constantly under pressure, and the import-export gap continues to widen. Although we have become surplus in wheat which is our staple food, there is no favourable impact in evidence in our payments position. Nor has there been any decline in reliance on foreign loans. Instead our debt burden has been rising, with the result that our repayment capacity is severely affected. Consequently, according to Dr. Mahbub ul Haq, 80 per cent of the proposed Sixth Five Year Plan will have to be financed from borrowed resources.

This situation cannot be tolerated for ever. Our economic managers do realise it and feel the need to progressively shun reliance on foreign resources. However, even after planned efforts of the last thirty years the promised

goal is still as far away as it was in the beginning. No in-depth study has been made of various plans and their impact on society. We have been content only with stating the physical targets and their fulfilment. There is no mechanism or institution to measure or assess the effects of various projects and the changes that have taken place in the economy. This was necessary for eliminating distortions or weak points in the development strategy.

Let us take an example. Our industrial sector initially developed in a sheltered market. Since the emphasis was on import substitution, consumer industry based on imported raw materials flourished. But when circumstances changed and it was asked to produce for foreign markets it found itself handicapped. The Government came to its assistance and provided the

needed help and assistance and guaranteed its profits through the mechanism of bonus vouchers which meant imports financing the export goods. This was done to enable the industrial sector to make their plants viable for export and adjust their production to foreign requirements. Those units who rose to the occasion have done well but the inefficient ones have gone sick and depend upon Government dole for sustenance at the cost of taxpayer's money and the efficient units.

In the meantime, the budgetary deficits have been going up for one reason or the other and the new revenue raising techniques have resulted in ever increasing cost of production. The result is that our products fail to compete in the foreign markets. To push up sales in foreign markets we have to adopt the system of rebates. For

making up our payments deficits we have to incur loans and credits. Unless, the infrastructural facilities are increased and cost of production is reduced by lowering the cost of inputs like water and power it would not be possible to make our goods competitive in world markets. But the situation looks very ominous. Indications are that electricity charges are going to be increased because of increase in fuel expenditure. But who is going to make good the loss of production due to frequent power failures? Is the consumer again to be punished for the inefficiency of KESC? Similarly, water supply is also never regular and it is likely that its rates may also be increased.

There are other bottlenecks which the producers face. For instance, industrialisation in backward regions is insisted upon. But the necessary infrastructure is not there. The industries that are set up in those regions suffer from high production costs. The difficulties that they face must be given due consideration so that they may be able to come into their own rather than wither away for no fault of theirs. We would do well to come out of the routine mindedness and be realists to face up the challenge.

CSO: 4200/173

SETTING UP UNITED STATES CHAMBER OF COMMERCE OFFICE IN PAKISTAN OPPOSED

Karachi BUSINESS RECORDER in English 20 Nov 82 p 2

[Text]

The disclosure made by the US Consul General in Pakistan that the United States Chamber of Commerce proposes to set up an office in Pakistan will cause surprise to many. This is so because no other country has felt the need to do so. And the trade relations between the businessmen of the two countries have been cordial and smooth which is evidenced by the growing trade exchanges between them over the years. This means that the existing institutional arrangements are more than sufficient to cope with the expanding economic and trade relations. There is an Overseas Investors Chamber which guides, informs and looks after the interests of foreign investors who belong to different countries and are members of this body. Similarly, there are separate committees of the Federation of Pakistan Chambers of Commerce and Industry for every foreign country with which Pakistan has economic and trade relations. Then why it is deemed necessary to open a

branch of the US Chamber of Commerce begs the question?

A correspondent of ours who appears to be a businessman has taken this news with a pinch of salt and feels that "setting up of an American Chamber of Commerce is linked to Aid Programme and that its creation will enable the powerful lobby to exert pressure on our government's trade policies and to obtain preferential treatment for its members". His fears cannot be said to be misplaced. From the changes that have taken place in world economy during the previous decade namely internationalisation of production and expansion of financial market the Third World countries have been excluded. And today there is a return to colonial practices, when so-called portfolio investments were preferred by the advanced countries as method of investment in their countries, as opposed to direct investment by individual enterprises. The mediating link between lending and production now is the state. In order to offset the loss of

foreign equity, governments have to borrow from foreign banks. In this way foreign loans replace foreign equity, and risk capital becomes loan capital. It is a fact that all foreign loans are tied. The borrower countries have to buy their requirements from the lender countries and pay higher prices.

It can be said that the precedent is there. Similar branches were set up by the Americans in South Korea and Taiwan. Practically these countries were like American colonies and under its actual occupation because it has stationed its [words indistinct] which was considered to be the paramount need then and every other activity was considered subservient to security of these countries. If America is allowed to set up its chamber of commerce here then similar treatment will have to be accorded to other countries. This will lead to a lot of complications. Now that the principle of non-discrimination in trade has been discarded by the developed countries and the developing countries are treated as untouchables of the world there is no justification that they should accord most favoured nation status to any developed country however mighty or powerful it may be. It is the advanced countries who by their doings have compromised the principle of reciprocity in trade and taken to protectionism. And the rivalry among the developed capitalist countries to get hold of the trade and raw materials of the developing countries is raging. Reason demands that the developing countries should keep away from their strife.

The best to see what is in our best interest. We have got a trade bodies act. It will not serve any purpose to make any change in it. The existing trade bodies can serve the interests of American businessmen as best as they are serving others. It is the primary duty of our government to safeguard the interests of its own nationals, entrepreneurs and businessmen. We should not allow a foreign lobby here.

CSO: 4200/177

PAPER COMMENTS ON U.S. ATTITUDES

CF020526 Islamabad THE MUSLIM in English 27 Nov 82 p 4

[Editorial: "Nuclear Duplicity"]

[Text] President Zia has clearly stated in the course of an interview he gave the other day to UPI that if the U.S. continues to accord discriminatory treatment to Pakistan and seeks to impose tougher inspection of Pakistan's nuclear facilities, he would resist pressure on this point from Washington. He has cited the examples of India, Israel, Japan, South Africa and Brazil which have a nuclear potential but are not pressurised and Pakistan has been singled out for a more rigid scrutiny of its installations. He has said that if American policy were to make no distinction and treat all countries alike, Islamabad would accept even greater safeguards than those applied to its favoured few, and expressed the hope the American objections to the development of nuclear plants in this country would be withdrawn, and also said that he would welcome foreign assistance in building a 100-megawatt nuclear power plant here.

The American administration is not unaware of Pakistan's desperate need for adequate energy not only to give a push to the growth of its industrial sector but also to electrify its rural areas to improve the living conditions of village folk still putting up with a primitive way of life. The country is faced with the challenging task of having to produce 30,000 mws of electricity by the end of the century or remain plunged for ever in economic backwardness. With its fossil fuels being rapidly depleted, the expectancy of its gas deposits now likely to last no more than 20 years, the hectic, exploration for oil having met with scant success and the escalating prices of imported oil being an insufferable drain on its economy, the country is left with no other option than to recline on the development of nuclear energy. KANUPP [Karachi Nuclear Power Plant] is just 85 mws of electricity to meet the needs of the sprawling city of Karachi, and the power station of Chashma is expected to produce 900 mws for some saving to be effected in the heavy oil bill we have to pay. Pakistan thus has every justification to pin its hopes on nuclear energy.

America knows that his country's nuclear plants are subject to periodic checks by representatives of the International Atomic Energy Agency and that our installations have always been found to conform to the requirements of prescribed safeguards. Pakistan has long been pressing for the creation of a nuclear weapons free zone in South Asia which it would not have done if it had any

designs to fabricate atomic weapons. Islamabad has repeatedly assured the world that it has no plan whatsoever to produce an atomic bomb either for itself or for any other country. And yet the U.S. has all along been not only apathetic to our needs but also thrown a spanner into the works whenever we tried to augment our efforts to exploit nuclear energy. It was America under the Carter regime that pressured France to retract from its commitment to sell a reprocessing plant to this country. And now there is the cry for the imposition of stricter nuclear safeguards on this country's installations.

Pakistan's firm decision to resist American pressure for the acceptance of safeguards not applicable to other countries with a nuclear potential is a principled stand on which no compromise can be made. Refusal to bow to coercion, which is manifestly discriminatory and unfair, is a step to vindicate the country's honour. It is bound to be applauded at home and appreciated in circles abroad where invidious distinctions are looked upon with disfavour and principles are upheld. We sincerely hope that the Reagan administration would realise that Pakistan refuses to be knuckled under and taken for granted.

CSO: 5100/4311

CHINA WILLING TO TRANSFER FARM IMPLEMENTS TECHNOLOGY

Karachi BUSINESS RECORDER in English 22 Nov 82 p 6

[Text]

LAHORE, Nov. 21: Lin Hu Jia, Chinese Minister for Agriculture, Animal Husbandry and Fisheries, today said that his country was ever ready to transfer technology for the manufacture of small agriculture machinery to suit the small agricultural holdings in Pakistan.

He was talking to newsmen at the Lahore airport on his arrival from Peshawar at the head of nine-member agricultural delegation.

He said that the Chinese delegation was in Pakistan to share knowledge and experiences with their Pakistani friends. Pakistan and the People's Republic of China were close neighbours and traditional friends and they had always benefitted from each other during their prolonged cooperation in various spheres of life.

The Chinese minister said that the current visit of the Chinese agriculture delegation was to study the rapid development of Pakistan in the agricultural field. While Pakistan was self-sufficient in rice, it had recently not only achieved self-sufficiency in wheat but had also joined the list of wheat exporters.

He said that China was too self-sufficient in foodgrain production. But, he added, the question at present was to raise the living standard of farmers in the two coun-

tries. They needed more animal protein, dairy product and meat, the two countries could contribute towards this end by increasing per acre yield through better water management, application of chemical fertilizer, plant protection and sowing better varieties of crops.

Lin Hu Jia said that both the countries had a common problem, which was to support large population with a low per acre yield. He observed that the food-grain production could be increased by increasing per acre yield and through multi cropping system.

He said that Pakistan and China had been cooperating in the agricultural field for the last many years. This mutual cooperation had greatly contributed towards the well being of the farmers in the two countries.

To another question about the significance of the delegation's current visit, the Chinese minister said that this visit was basically aimed at sharing with Pakistanis knowledge in the fields of animal husbandry and fisheries.

The Chinese minister said that the members of the delegation had a very useful discussion with the Pakistan officials. And he was very much impressed by the Food and Agriculture Minister Vice-Admiral M. Faizil Janjua.—APP.

CSO: 4200/178

PAKISTAN

PAPER CRITICIZES SOVIET DIPLOMAT'S STATEMENT

GF061400 Karachi NAWA-I-WAQT in Urdu 1 Dec 82 p 3

[Editorial: "The Soviet Diplomat's Threat"]

[Text] In his interview with the NAWA-I-WAQT correspondent, the Soviet diplomat's claim that the Soviet Union has never attacked any country and will never attack Pakistan seems plausible, but what seems tantamount to a threat is his assertion that the Soviet Union and Afghanistan will not tolerate any foreign interference and that the Soviet Union has clarified its stance on this issue to the Pakistani Government.

Those who are indulging in wishful thinking on the recent change in Soviet leadership should ponder on this Soviet diplomat's threat and if they think that Brezhnev had sent troops to Afghanistan against the instructions of the then KGB Chief Andropov and, now that the latter has taken over the reins of government, there will be a concomitant change in policy, they are mistaken. While laboring under such delusions, these circles say that on the occasion of Brezhnev's funeral when the heads of many states had gathered in Moscow Mr Andropov found time to meet only a few including our President Ziaul Haq. During his visit to Indonesia a week earlier, President Zia had said: We have positive indications that the Soviet Union is getting ready to withdraw its forces from Afghanistan and there is no reason for Pakistan to doubt this. On his return from Moscow to Islamabad, the president described his meeting with Mr Andropov as "useful and constructive" and he had also said that both sides have expressed the desire to hold talks at a suitable level in the future.

As far as the statements of President Zia are concerned, these are important but in case of ideological countries like the Soviet Union, it can be said that there will be no immediate change in policy with a change of government. This is confirmed by seasoned and mature Western observers who are disillusioning those who are indulging in fantasies regarding a possible change in the policies followed by Brezhnev.

These observers say the only way that Soviet policy might change will be if all the Western countries rally under the banner of the United States and take effective measures to counteract the extensive military might of the Soviet Union.

What should be taken into consideration as far as the Soviet Union is concerned is that its system of government is based on the philosophy of communism (the goal of which is to impose itself on the whole world). From the primary education level through all levels of the administration this is the main consideration and no deviation is tolerated even from the highest officials to the lowest employees. Hence with the advance in age and status, this philosophy becomes this deeply ingrained. Those Politburo members who hold the reins of government in the Soviet Union have lived their lives under the aegis of this ideology and have always acted accordingly. In other words they have been completely "brainwashed."

It is due to this maturity of thought or the policy of functioning within its confines that has resulted in the fact that the leaders of this superpower have taken no notice of the majority's demand during the last 4 years at the United Nations for the withdrawal of its troops so that the people may decide their own future freely without foreign interference or pressure. The Islamic conference as well as the nonaligned movement have made repeated and emphatic demands in this respect.

CSO: 4656/50

## MINISTER SAYS ARABS ACCLAIM ZIA'S EFFORTS

Karachi BUSINESS RECORDER in English 21 Nov 82 p 3

[Text]

ISLAMABAD, Nov. 20: "President Gen. Mohammad Zia-ul-Haq's efforts for exposing and upholding the cause of Islam and the Islamic world are widely acclaimed by the Arab leadership". Raja Mohammad Zafar-ul-Haq, Federal Minister for Information and Broadcasting said here today.

Giving impression of his nine-day foreign tour at a news conference, the Information Minister said that he had an opportunity to meet some of the leaders of the Arab world during his visit to the Republic of Tunisia including President Habib Bourguiba, Habib Chatti, Secretary-General of the Organisation of the Islamic Conference, Shazli Qualaibi, Secretary-General of the Arab League, Tunisian leaders and top leaders of the Palestine Liberation Organisation (PLO). He said that he found a great fund of goodwill and love for the people of Pakistan and the country.

He said President Gen. Mohammad Zia-ul-Haq is held in very high esteem by the Tunisian leaders and the leaders of the Arab world adding that his efforts for promoting Islamic values at home and fostering unity and cohesion in the ranks of 'Ummah' are valued by them.

The Information Minister said that he will submit a detailed report about his tour to President Mohammad Zia-ul-Haq. He said during his visit he called upon President Habib Bourguiba—the father of the nation of Tunisia—who is a seasoned statesman and enjoys a unique position in the international world. He said that President Bourguiba had strongly extolled the role of Pakistan which it played in promoting the cause of the independence of Tunisia at

the United Nations and other international levels. He also spoke highly of the late A. S. Bokhari whose speeches in the UN were lying with him framed.

Raja Zafar-ul-Haq said he also met Habib Chatti, Secretary-General of the OIC, who gave him an excellent exposition of the developments in the Islamic world and the world at large. His meetings with Shazli Qualaibi, Secretary-General of the Arab League, Mousaid President of the Tunisian parliament, Tahar Belkhodja, Information Minister of Tunisia and PLO leaders were enlightening and productive.

He said that Pakistan had donated 10,000 blankets and 100 tents for the flood stricken people of Tunisia. The gesture had been greatly appreciated by the government and the people of Tunisia. He said that he also visited the flood affected areas and saw himself the devastation caused by it.

He said that he was also impressed by the historical places which were reflective of the rich Islamic heritage.

### IINA ASSEMBLY

The Information Minister said the next general assembly of the International Islamic News Agency would be convened in Pakistan. He said that it would be a big event and besides national news agencies of the Islamic countries, journalists from Pakistan would also be afforded to attend as observers. "This will surely be educative and beneficial to them and contribute to enhancing their professional insight and vision", he said.

He said that he had also attended the non-aligned news agencies pool meet which was in session then in Tunisia and addressed the concluding session of the IIINA. He said that four agreements for increasing cooperation in the electronic and print media, the radio, the television, the news agencies of the two countries and general information were signed. He said that exchange of news, personnel and technical cooperation would be further enhanced, between Pakistan and Tunisia.

Raja Zafar-ul-Haq called for the effective projection of Islamic viewpoint to counter the distortion and the biased news of the anti-Islamic forces. He said that IIINA could play an important role in meeting this challenge as its scope of coverage was wider than that of national news agencies. He said other aspects including financial and personnel matters were also considered in the meeting to increase the efficiency of the IIINA.

Replying to a question, the Information Minister said the matter about the release of Pakistanis who were held in Israel was not discussed with the PLO leaders in Tunis as government was adopting appropriate channels to resolve this matter. He said that Israel stood exposed today before the world for its inhuman and barbaric deeds and the righteous-

ness of the cause of PLO was fully upheld by the free world.

To another question, he said that the Palestine and Afghanistan issues concerned the entire 'Ummah'. He said the Arab world treated the Afghanistan problem also as that of 'Ummah'. He said the leaders whom he met in Tunis had fully supported Pakistan's stand on the issue".

In the present day world, new priorities in the international politics were being fixed, he observed, adding that today it is not the smallness or the largeness of a country which counts but the way it conducts the international affairs. Pakistan in view of its special relationship with the Islamic world and its geo-political imperatives could play an effective role in the world affairs, he observed.

To yet another question, he said that President Gen. Mohammed Zia-ul-Haq's visit to China and the Far East was hailed by the foreign media. He said "President's stop over in Delhi and talks with Mrs. Indira Gandhi Prime Minister of India had been acclaimed by the foreign observers as a success of the Pakistani diplomacy and further, President's meeting with the Soviet leaders also spoke of the country's role in the international affairs.—APP.

CSO: 4200/178

## PAKISTAN

### RISE IN TRADE IMBALANCE REPORTED

Karachi BUSINESS RECORDER in English 20 Nov 82 p 1, 6

[Article by Anwar Rajani]

[Text]

The trade gap during 1981-82 has widened by Rs. 1,031 million due to rise in imports and fall in the volume of our exports.

According to official figures, the gap widened in 1981-82 to Rs. 32,295.1 million from Rs. 24,265.2 million in the previous year. The exports amounted to Rs. 26,269.9 million in 1981-82 as against the imports of Rs. 58,565 million during the year.

The trade gap during the current fiscal—1982-83 may widen further following the continuous fall in exports. During the first quarter of the current year, the exports have already declined by 14.5 per cent as compared to the corresponding period of 1981-82.

As per details officially made public, exports from during 1981-82 amounted to Rs. 26,269.8 million as against exports of Rs. 29,279.5 million during the previous year showing a decline of 10.3 per cent. The monthly average exports for the year 1981-82 were Rs. 2,189.1 million as against a monthly average of Rs. 2,440 million in 1980-81.

#### IMPORTS

Imports during the year amounted to Rs. 58,565 million as against Rs. 53,543.7 million in 1980-81 showing an increase of 9.4 per cent. The monthly average of imports for the year 1981-82 were to the tune of Rs. 4,880.4 million, as against Rs. 4,462 million for the previous year.

#### LIBERAL POLICY

The increase in imports is mainly attributed to the liberal import policy which Pakistan has been resorted to following the commitment given to the IMF under the Extended Fund Facility amounting to 1.7 billion dollars provided to Pakistan about two years ago.

The declining trend in exports during the current fiscal year is, however, surprising when judged in the light of the US dollar's appreciation against Pak rupee after the two currencies were de-linked in January last.

As in the previous two years rice remained at top of the export

list for 1981-82 by fetching the highest amount of Rs. 4,127.8 million. About 82.9 per cent of the total exports during 1981-82 consisted of 19 items viz. rice (15.9 per cent), cotton fabrics (11.3 per cent), raw cotton (11.3 per cent), cotton yarn (8.0 per cent), petroleum product (7.9 per cent), carpets, carpeting and mats (6.4 per cent), leather (4.4 per cent), textile clothing and accessories (3.8 per cent), fish and fish preparations (3.0 per cent), tarpaulin and other canvas goods (2.6 per cent), towels (1.7 per cent), fruits and vegetables (1.3 per cent), sports goods (1.2 per cent), guar and guar products (1.2 per cent), molasses (1.1 per cent), surgical instruments (1.0 per cent), leather cloth and accessories (0.7 per cent), tobacco and tobacco manufactures (0.4 per cent) and footwear (0.4 per cent). Combined percentage share of these 19 items in 1980-81 was 83.1 per cent.

#### YEARLY IMPORTS AND EXPORTS

Year	Imports	Exports	(Million Ru.) Excess of imports over exports
1977-78	27,814.7	12,980.4	14,834.3
1978-79	36,388.1	16,925.0	19,463.1
1979-80	46,929.1	23,410.1	23,519.0
1980-81	53,543.7	29,279.5	24,264.2
1981-82	58,565.0	26,269.9	32,295.1

CSO: 4200/177

WALI-KARMAI MEETING DISCUSSED

Rawalpindi HURMAT in Urdu 28 Oct 82 pp 20,221

[Kabul Letter: report by special correspondent: "Wali Khan: 'I Am Satisfied After Meeting With Afghan Leaders'; Vital Details of Wali Khan Karmal Meeting"]

[Text] Pakistan National Democratic Party's leader, Khan Abdul Wali Khan, accompanied by his wife, Begum Nasim Wali Khan came to Kabul during March, and April. He met with the leaders of the ruling party and exchanged views with them regarding Pak-Afghan and other essential topics. Mr Wali Khan also met with the head of the Afghan government, Babrak Karmal. The details of the topics discussed during that meeting have been published in the official magazine FOREIGN AFFAIRS BULLETIN. The magazine has also published a photograph of this meeting. In the report of the Wali-Karmal meeting, Wali Khan time and again was called a warrior and a distinguished Pakhtun leader, while Khan Abdul Ghaffar Khan has been called a great and heroic leader of Pakhtuns. From this it can be seen that the Afghan government grants separate political status to Khan Abdul Wali Khan and Begum Wali Khan [as published], although Wali Khan says that Begum Nasim Wali Khan is his leader while he is her worker. In the same report it has also been disclosed that during the Karmal-Wali meeting, a member of the politburo of the ruling party of Afghanistan, Dr Najib, and the regional and tribal affairs minister Suleman Laiq were also present. During the same meeting Babrak Karmal clarified the significance of the "red revolution" from various aspects, and the new Afghan government's policies regarding the tribes and the neighboring countries, especially Pakistan.

The report also reveals that in one of the following meetings, Mr Wali Khan, expressing his views, said: "After the Afghan leaders' clarification of their policies, I am completely satisfied that Afghanistan's national and democratic revolution is controlled by a strong leadership. The announcement made by the Afghan government on 21 August, 1981 has created favorable conditions for Afghanistan and Iran to end their differences and share one table. The imperialists are presenting the facts about the Afghan revolution in a distorted manner and are engaged in a false and hostile propaganda campaign against it. Being a Pakhtun, I must express my concern that the Pakhtuns have been instigated by the imperialists and the conservative powers of the region to fight with each other in their own land. The red revolution's

policy is the welfare of the people of Afghanistan. This revolution has no intentions of establishing an improper rule. Its aim is to establish mutual friendly relations with all the countries of the world, especially with its neighboring countries. It is the right and duty of the Pakhtuns to safeguard their independence, freedom and territorial integrity. Afghanistan is a multi-national country. Its people are living unitedly like brothers and they should be provided better living without any discrimination and prejudice. Our region, in every circumstance, should be a haven of peace. The unresolved matters should be solved peacefully through dialogues among the countries of the region. I am returning from Afghanistan with good expectations. I hope that the political climate between Afghanistan and the people of Pakistan will change in favor of cooperation, friendship and solidarity, and the intentions of imperialist powers to establish an atmosphere of war and tension between Pakistan and Afghanistan will face defeat since failure has been written in their destiny."

According to the report, paying a high tribute to Babrak Karmal, Wali Khan proclaimed him a great and intelligent personality. Afterwards, Wali Khan and Begum Nasim Wali Khan participated in a lunch given by the revolutionary council of Afghanistan. The party's politburo, members of the secretariat, a large number of members of the federal committee, ministers and Ajmal Khatak also participated in it.

9779

CSO: 4656/31

## WOMEN'S TRAINING IN VARIOUS SKILLS IN NEXT PLAN

Karachi DAWN in English 15 Nov 82 p 12

[Article by Anis Mirza]

[Text]

ISLAMABAD, Nov 14. The Federal Labour Minister, Ghulam Dastgir Khan, said here today that Pakistan was fully aware of the inadequacy of training facilities for women, and would give priority to such programmes in the Sixth Five-Year Plan.

Opening Pakistan's first South Asian Women's Workshop for developing training skills, he appealed to philanthropists and businessmen to come forward and fund future training programmes for low-income women in the urban and rural areas, and particularly disabled women.

Pointing to the necessity of integrating and activating programmes for the development skills of women, Mr Dastgir said that the participation of women in the labour force should receive top priority in the planning processes of the Third World countries.

The Minister regretted that Pakistan, compared to other countries of Asia, had the lowest participation of women in the labour force. The Government was keen, he said, to promote and expand training facilities for professional and vocational skills through technical colleges and polytechnics. He said projects had been instigated in collaboration with the Swiss Government and the ILO for imparting training in commercial, technical and electronics skills.

But, the Minister pointed out, the efforts were wholly inconsistent with the ratio and needs of the female population.

Welcoming the women experts from 13 Asian countries, Mrs Salima Ahmad, Secretary, Women's Division, said since its inception in 1979, the Women's Division had organised six national conferences and three workshops and grass-roots seminars in the provinces. Referring to the implementation of policies, Mrs Salima said the Women's Division had sponsored 3,772 adult literacy centres and 1,497 integrated programmes for imparting literacy, health and vocational education to women.

She said, 1,799 vocational training centres in the country were providing training in embroidery and tailoring to women, while nine centres were training them in sericulture and fruit and vegetable preservation. Mrs Ahmad said 45 carpet weaving centres had been set up as well as three polytechnics.

The Women's Division had approved plans for women's hostels, female wards in hospitals and four polytechnics, she added.

Mr Ian Chambers, representative of the ILO, addressing the workshop participants, said economic rights of women to the ILO was not a question of passing interest since the ILO had a long-

standing record of solid activity in the fields of international labour standards, research and technical cooperation to ensure equal opportunities to women. In spite of 65 years of activity, Mr Chambers added, there still remained an immense amount of work to be done.

Mr Rony Diaz, Director of the Asian and Pacific Skills Development Programme (APSDEP), said that on behalf of APSDEP, he was confident that the deliberations of eight-day workshop would yield new insights and practical proposals for encouraging women to take up vocational training either for wage or self-employment.

JI LEADER FOR DIALOGUE WITH GOVERNMENT

Karachi DAWN in English 15 Nov 82 p 12

[Text]

HYDERABAD, Nov 14: Mian Tufail Mohammad, Amir of Jamaat-i-Islami, has called for a dialogue with the present regime to find ways for transfer of power to the elected representatives of people.

Addressing Jamaat workers in Latifabad Unit-3 on Saturday, the Jamaat chief said that in view of the conditions prevailing in the country any agitation would be against the integrity and solidarity of Pakistan.

Mian Tufail said that the political parties which were loudly propounding the doctrine of democracy and were eager to restore democratic order in the country had never themselves gone through the exercise of elections in their own parties, even for the sake of appearance.

Jamaat-i-Islami, he said, was the only exception where elections were held regularly in accordance with its constitution. Jamaat, he said, was in its own way striving for the introduction of Nizam-i-Islam and restoration of democracy in the country. He said that the political parties which were willing to join hands with Jamaat in the furtherance of these objectives would be welcomed.

Mian Tufail said that all religious parties should work together for the implementation of Nizam-i-Mustafa.

CSO: 4200/172

## DEVELOPMENT OF URDU: NEW DIMENSIONS URGED

Karachi DAWN in English 14 Nov 82 p 9

[Article by Professor Amanat Ali]

[Text]

AS our national language, Urdu, is being pressed into various forms of communication services pertaining to state administration and for instructional programming in science and technology, it is absolutely essential to make serious efforts for developing the structural dimensions of this language which have remained unnoticed during the course of its evolution.

The reasons for this deficiency are quite obvious. Urdu has always been used for simple oral and written communication and for literary writing, including composition of various forms of poetry. All these functions were satisfactorily performed by the structural pattern of the language in the present form that has come down to us as our cultural heritage.

Structure and function are highly correlated parameters. Any structure designed to perform certain functions does not change if it continues to perform satisfactorily its assigned role. However, if some additional functions are expected from the same structure, certain alterations or modifications become quite essential in that structure. The following additional functions have been entrusted to our national language:

1. To serve as medium of instruction for science and technical subjects at all levels of education

2. To serve as means of communication between various administrative authorities and the people

3. To acquire competence in Urdu even by those whose mother tongue is not Urdu.

The following subsystems in the mechanics of expression which are present in the English language and are being used to serve the above functions in an efficient manner are absent in the Urdu Language.

a. Writing in block letters  
b. Italic writing  
c. Abbreviations  
d. Capitalization and punctuation.

These subsystems have to be adopted by Urdu, which would surely involve a few structural modifications. By introducing them in our educational programming at appropriate levels, necessary academic skills will be developed at an early stage for being used at higher stages and in everyday life.

Writing in block letters is required in filling up personal data forms prescribed by several official agencies, private organizations and individual employers. Through this pattern of writing, there is no difficulty in reading and no confusion in the spelling of names of persons, places or any other identifying data which is likely to occur in writing the same in running hand in Urdu. In view of this special advantage, the practice of writing in Urdu block letters should be immediately introduced in our educational system and popularized through the mass media of communication. The names of school

text books and other publications for children may also be printed in block letters on their covers. The visual aid thus provided gives pedagogical facilitation for reading readiness.

## Abbreviations

Italics writing is an eye-catching device for immediate attention and promotes reading with care. This form of writing gives maximum stress to the italicised word or group of words, occurring in a paragraph because they at once draw the attention of the readers. In scientific literature italics does play an important role in teaching-learning situations. We can very easily introduce this devise in Urdu by introducing the word to be emphasised in Naskh if the reading matter is in Nastalique and vice-versa.

The system of abbreviations has now become an integral part in the communication skills of all the modern languages. Under this system a group of letters represent in a shortened form a group of words falling under a meaningful pattern. We all know the significance of all such abbreviations as U.S.A, U.S.S.R., UNESCO, NATO, M.A. and F.R.C.S. etc. In all branches of Science and Mathematics an initial letter or a couple of letters or symbols are used as abbreviations and are understood universally with regard to their representativeness. This type of system has to be developed in our national language.

Urdu has no system of capitalisation which has two very important functions of visual identification and meaningful reading readiness. Beginning a sentence with a capital letter and its use for the first letter of proper nouns and their derivatives in any sentence are really good visual devices for reading purposes from the pedagogical

point of view. There will be no difficulty in adopting this technique for educational purposes in our own language. This can be done by using a slightly thicker letter for the capital in writing or the printing. Experiments have confirmed that readability becomes more meaningful and its range both in loud reading and silent reading is highly accelerated.

In order that the subject matter on any topic in Urdu either in the printed form or manuscript should conform to the pattern of the spoken discourse, it is necessary to make use of the whole battery of visual devices in the shape of punctuation marks to provide a motivation for reading. Their effective use becomes more important in scientific literature in our national language because they indicate structural units in the sentence. The readers are guided what to take together and what to separate, how and in what manner they should read; where to make a stop or a brief pause or to emphasise.

In view of the fact that Urdu has been made a medium of instruction in all branches of knowledge at all levels of education, it is absolutely essential to develop new dimensions in the areas in which it is deficient. Four subsystems in the mechanics of expression, namely, writing in block letters, italics writing, abbreviations and capitalisation & punctuations have to be evolved and developed in our national language. We shall have to study the significance of any modification in our writing style and of the pattern of adaptation of these subsystems. Our innovations might appear to be funny and strange in the beginning but there should not be any emotional hurdle in setting up a study group to devise ways and means for improvement of the visual form of the language which has been assigned some new roles to play.

## COAL RESOURCES DISCUSSED; PROPER POLICY SAID TO BE LACKING

Karachi ECONOMIC &amp; BUSINESS REVIEW in English 17 Nov 82 p I, IV

[Article by Anwar Ahmed]

[Text]

MAJOR coalfields in the Punjab, Baluchistan and Sind are estimated to have 480 million tonnes of reserves, but this mineral wealth has not been tapped to any appreciable extent so far. Recently, coalfields have been discovered at Sadha in the Thatta district of Sind, spread over an area of about 500 square km. These reserves are estimated to be between 500 to 1,000 million tonnes.

These deposits make a major addition to the known reserves and should provide an impetus for a planned and fuller utilisation of a source of energy that can prove to be an asset of inestimable value.

As it is, on the basis of 1976-77 production of 1.1 million tonnes annually, the Fifth Plan envisages an annual growth rate of 7.2 per cent so that production will be 1.7 million tonnes by the end of the Plan period.

It appears, however, that the increase in coal production is beset with problems. While winding up a debate in the Sind Council session in March this year, the Sind Governor pinpointed some of the problems. He said that the province was rich in mineral resources, including coal, but unfortunately not much had been done to exploit them. A mineral development board could be set up on the provincial level, but the province did not

have the experts and geologists nor the required technical know-how, equipment and laboratory facilities to undertake the work. In fact, the needed infrastructural base is also lacking.

However, some progress has been made in this regard as a result of cooperation between the public and private sectors and with the help of foreign experts. The three-year plan for the development and exploration of Lakhar coalfields — near Hyderabad and spread over an area of about 650 sq. km. — has already started and the project is expected to be completed by 1984.

British, US, Polish, Canadian and Japanese experts had investigated this coalfield and its evaluation and exploration studies had been undertaken by Pakistan Mineral Development Corporation (PMDC). It had been established that one million tonnes of coal could be supplied from this source annually to the Kotri thermal power station.

With the decision to establish the Karachi Steel Mills, the problem of arranging indigenous coking coal was keenly felt and the PMDC eventually started work on the setting up of Sharigh coal-washing plant in Baluchistan in July 1977. It was decided to supply the washed coal to Pakistan Steel for blending it with high grade imported coking coal.

In April 1980, the project was completed at a cost of Rs 27 million. The plant produces about 75,000 tonnes of washed coking coal for the manufacture of metallurgical

coke and thus saves Rs 53 million annually in foreign exchange through import substitution.

Despite its potential as an energy source, the use of coal is still minimal. In fact, it has been neglected. An example of this is provided by the indecision over the use of Larkana coal for power generation. The construction of the Larkana coal-fired power station was delayed by six years. Work on it could begin in 1973 instead of in 1967. It could have been operational in 1979, but now it is expected to be completed in 1985.

Another problem relating to coal produced in Pakistan is its quality. It has a low content of fixed carbon and much sulphur and ash, which weaken its coking properties. This coal is also liable to spontaneous combustion. It can, however, be used for large-scale power generation, brick kilns and cement industries.

As it is, the use of indigenous coal is more or less restricted to brick burning which account for over 90 per cent of the total consumption.

Coal found in Harnai-Sharigh-Khost areas, however, possesses medium coking characteristics and has been found suitable for use as a blend in the production of metallurgical coke. These deposits are, therefore, valuable because the availability of coking coal in the international market is scarce.

However, despite the problem relating to quality, there are two promising aspects in the situation. The known reserves are enormous and exceed the known reserves of all the mineral fuels. Moreover,

modern technology, including gasification and liquefaction, make it economically feasible to use inferior quality coal as a useful source of heat and power. Processes have also been developed to distil volatile parts from coal and strengthen it as a coking agent.

All these open new vistas for development of coal. But at the same time, there is need to take the coal industry out of its deplorable state from which it has been suffering because of ignorance and neglect over the entire length of its history.

About 80 per cent of the coalfields are in private hands and they are neither organised for economic production nor have any development plans on long-term basis to meet the future needs of the country. Even according to conservative estimates, the demand for coal is expected to increase at the rate of 8.15 per cent annually. The demand could be even higher if wider uses are made possible but the mining industry does not appear to be geared for it.

Coal in Pakistan is mined in public as well private sector, but mining and other conditions in both the sectors are quite different. The public sector owns four coal mines — Makarwal (Punjab), Sor-Range, Degari and Sharigh (Baluchistan) — which produce about 300,000 tonnes of coal annually. These are semi-mechanised and have all the facilities for safe and proper mining. They are perhaps reaching levels of exhaustion and their production has been declining.

It has planned, however, to raise the production of these mines to 625,000 tonnes by the end of this year. The planned coal production in the public sector is expected to meet the growing demand of brick-kilns, lime burning and other domestic requirements and also to supply about one million tonnes per year to the proposed Lakhra coal-based 250MW power station.

The coal mining industry in the private sector is yet to be organised on scientific lines. Mining leases in the private sector are divided into numerous uneconomic blocks operated by small enterprises. Mining operation in most cases are primitive and with the mining practices in vogue, over 40 per cent of the coal is destroyed due to premature collapses and mine fires. The present methods also lead frequently to fatal accidents. There is obvious need to replace these methods by modern techniques and develop the mines on rational long-term basis for sustained production from deeper horizons, with better and safer working conditions.

The present production of coal industry is insufficient for the current requirements of brick-kilns. Punjab and NWFP consume about 85 per cent of the total coal produced while their output is about 30 per cent of the total. They have, therefore, to depend at present for their coal requirements on Baluchistan which produces 66.6 per cent of the total coal production, but itself consumes only a meagre 6 per cent.

As for the price of coal, the public sector with its share of about 15 per cent in the overall market is not in a position to play any significant role in stabilising the price which often is fixed by the Government for consumers only for coal from mines in the public sector, which are usually given on lease to private miners on a quarterly or half-yearly basis. At best it serves an indicator to the private mine-owners. In practice, they adjust their prices according to their own will. Usually, they tend to sell their coal at the highest price during peak seasons.

This, in brief, is the story of coal in this country and it is unlikely to change in the near future, because by and large it is ignored as a viable source of energy in the official planning for future.

Proper utilisation of coal will depend greatly on the policies which the Government adopts — in fact, the public sector alone can use large quantities of coal and ease the pressure on other resources of fuel and power. Instead, according to official sources, the demand for coal has shrunk considerably, because many cement plants, ginning factories and some power plants have switched over from coal to gas.

As far as the needed resources for development of coal are concerned, international financing institutions, including the Asian Development Bank, have already expressed their willingness to provide funds for exploration, development and exploitation of coal.

PLEA TO GROW TEA SUPPORTED

Karachi DAWN in English 15 Nov 82 p 10

[Editorial: "Growing Our Own Tea"]

[Text]

CAN we cultivate tea in Pakistan? If we can, will it be economically feasible? These questions arise from our high and growing consumption of imported tea as well as the availability of terrain apparently suitable for tea cultivation. But the answers will have to be based on expert assessments and sufficient experimentation. After the visit in May of three tea experts from China, who were inspecting some mountainous regions in the north to select fields for experimental cultivation of high quality Chinese tea, a debate has ensued on various aspects of the potential and prospects of tea cultivation in Pakistan. There are those who argue that soil and climatic conditions in our northern mountains are not suitable for tea cultivation. They point towards unsuccessful experiments conducted in the sixties and early seventies. They believe that the cost of producing tea in the country will be economically prohibitive. But this view is countered by many others, including agricultural experts and botanists, who believe that given the right efforts and the required technological innovation, tea can be grown in

Pakistan on a commercial scale. Indeed, there are problems but not of the kind that cannot be surmounted with the application of the available know-how and imaginative agricultural planning and management. A senior official of the Pakistan Agricultural Research Council (PARC) associated with the tea project has pointed out that tea bushes planted in 1976-77 in an experimental garden of two acres in Mansehra have shown satisfactory growth — a proof that tea can be grown in our country. He is convinced that the semi-temperate belt in northern region is suitable for tea cultivation. One problem is that tea bushes take five years to mature and growers in the private sector would not be expected to go in for any meaningful experimentation without sufficient financial assistance and technical support. — The breakthrough with tea has to be made in the public sector. There is hope that the Chinese methodology will show the way to reducing our critical dependence on imported tea.

We had commented on the new attempts to grow tea in Pakistan in these columns with reference to the exploratory visit of the Chinese experts ab-

out six months ago. The interest that has since been reflected in our correspondence columns has lent support to our view that it is necessary to explore the possibility of tea cultivation more fully. It emerges from the debate among former planters, botanists and agricultural scientists that Pakistan does have areas where the soil and climate are suitable for tea cultivation. What we apparently lack is a carefully prepared plan geared to this end. There is, however, hope in the fact that we have achieved some remarkable breakthroughs in the realm of agriculture. For ages, our growers have been trapped in subsistence, non-commercial agriculture. Yet new challenges have been met by a new breed of agriculturists who have produced astonishing results. Who could have believed some years ago that "pan" could be grown on a fairly big scale in the vicinity of Karachi? The success achieved in Sind in the case of bananas, mangoes and coconut cannot just be shrugged away. We have also been moderately successful in producing jute in the G.M. Barrage area. The graceful growth of eucalyptus trees in Karachi almost

ABSORBING SUGAR SURPLUS RECOMMENDED

Karachi DAWN in English 12 Nov 82 p 13

[Editorial: "The Sugar Mountain"]

[Text]

A FEW years back it would have been difficult to believe that this country would be saddled with a mountain of sugar at this time, but this is what has happened and for a variety of reasons it is not all that happy an occasion. The mountain of sugar, rather than leading to a round of governmental boasting, has brought into the limelight some of the weaknesses in the sugar trade here and the Government's handling of it. The one good thing about it is that it will quite possibly lead to a critical appraisal of the entire trade which should in due course throw up some ways of solving the many problems we face. According to reports, Pakistan's sugar surplus added up to a record 335,000 tons at the beginning of the new crushing season which started last month. While this is no doubt an excellent improvement as compared to the shortages of some years ago, for several reasons it is also proving to be embarrassing. The trouble is that there is a glut of sugar in the international markets which has led to severely depressed prices. These low

prices, coupled with the already high production cost of sugar in the country, has meant that export is not possible — at least not unless the export is heavily subsidised, to a level which will be unrealistic. The production cost of sugar here — minus the heavy excise duty — is rupees 5,375 per ton, whereas sugar prices on the international market are currently around the rupees 2,000 per ton figure.

On its part, the Government has just come up with a plan to build up a reserve of sugar, the decision being not entirely formal at the moment. Of the 335,000 tons of sugar surplus, the Federal Government will build up a reserve of 200,000 tons, whereas the remaining amount will be disposed of by the Sind and Punjab Governments. The idea of building up a reserve is all very well, but unfortunately it is not a very satisfactory answer to the current problem because the basic issues remain unresolved. For one thing, the production in 1982-83 is also predicted to be as high as the previous year's, which means that the Govern-

ment will again be faced with a large surplus to dispose of — with not very bright prospects of the international market recovering to the extent that export of our sugar becomes possible. Nor will it be possible to keep on building up the reserve because, among other things, the cost will be prohibitive.

There seems to be little alternative to both reducing supplies a little and generating greater demand within the country. As far as the cost of production goes, it is believed to be so high because the purchase price for cane is very high, in addition to certain other factors like cost of capital and the fact that bagasse is mostly wasted. Sugarcane currently offers the best returns to growers. This applies both to 'traditional' farmers who have a low yield and to the progressive farmers who use modern inputs and grow good quality cane for a high yield. The result has obviously been that in the last few years a lot of agricultural land has been converted to growing cane, and there are even reports that some banana lands in Thatta have been switched to cane. It may be an unpopular

decision, and it certainly needs careful examination, but the Government should consider adjustments in the purchase price of cane, to bring it more in line with prices in other countries and somewhat more commensurate with the depressed prices of sugar. This will not only reduce the amount of cane grown but will obviously also lower production cost.

Along with this the idea of increasing the quota available on ration cards should also be considered, since it will certainly help to absorb some of the surplus sugar. There are grounds for doing away with the 20 per cent cut in the ration quota which was imposed a couple of years ago. Another move that will help to absorb some surplus is to reduce the price of sugar, by reducing the excise duty and by passing on to the consumer any reduction in production cost, if it can be brought about.

CSO: 4200/172

COTTON EXPORT CORPORATION GODOWNS COMPLETED

Karachi BUSINESS RECORDER in English 22 Nov 82 p 6

[Article by Nusrat Hasan]

[Text]

The first phase of construction of modern godowns of the Cotton Export Corporation in Korangi is almost complete and will have the capacity of storing 2.60 lakh bales.

This was stated by the Chairman CEC, Nusrat Hasan, in an interview in Karachi yesterday.

The corporation undertook construction of modern godowns in Korangi with a capacity to store 3.60 lakh bales.

Nusrat said that CEC was also making warehouse arrangements in the upcountry. On completion of warehouse projects in Karachi as well as upcountry, the storage capacity will increase substantially avoiding congestion at TPX and resolving the serious storage problems.

He pointed out that the capacity to store more cotton for a longer period would also enhance the CEC's bargaining position.

The CEC chief pointed out that vested interests hostile to CEC had always tried to malign the Corporation by circulating baseless stories and imaginary losses. The reports about claims in the press were a part of this campaign, he added.

He said that quality claims were nothing unusual. However, the buyers sometime had a tend-

ency to lodge undesirable and exaggerated claims in falling market. The CEC, however, scrutinizes these claims carefully and settles them amicably only to the extent it finds them justified. As regards reports about claims in the press, they were also exaggerated and a part of the campaign against CEC. Nusrat said.

Nusrat said that it was no doubt true that CEC has vast marketing contacts all over the world and many raw cotton importers approach it to recommend the names of reliable parties from whom they could buy yarn as well and that many textile mills from the upcountry were demanding that the government should establish a Cotton Yarn Corporation so that the evil and adverse effects of free marketing were adequately taken care of.

He said it was, however, for the government to take such action as it may deem necessary in respect of this demand to streamline the marketing of yarn. Produced by such mills who cannot export it at their own.

Nusrat said the CEC will always be willing, as in the past, to extend its fullest cooperation to the mills if and when required.—APP.

CSO: 4200/178

ISSUE OF ILLEGAL 'BARA' MARKETS DISCUSSED

Rawalpindi HURMAT in Urdu 28 Oct 82 pp 32, 33

[Article by Nazir Ghardezi, Peshawar: "Will Bara Markets Really Close By the Order of President Ziaul Haq?"]

[Text] According to newspaper reports, all deputy commissioners through the chief secretaries of the four provinces, have been ordered to take gradual steps to close Bara markets existing anywhere in their respective district. Can this be done? It is not at all difficult for the administration and it can do this. Previously, nearly every government issued ordinances to close such markets. For a while, the orders were acted upon also. The shops selling foreign goods began selling local goods. However, the other business continued under cover. Then, upon the request of the bureaucrats' wives, smuggling of fancy and luxury foreign goods continued, and gradually the attraction of the shops decorated with foreign items doubled. Also the officials concerned, after taking bribes, took it easy and regularly received their share through illegal means. When the practice continued for a considerable time, the shopkeepers reduced the bribery rate. The officials too kept on changing. The shopkeepers gradually stopped feeding the newcomers. If anyone was smart, he continued to receive his share regularly. Now with this ordinance, the police and other such departments will prosper. Within a few days their daily income will surpass their monthly income. How many Bara markets will they close? The roots of this business are deep-rooted in Peshawar and they are spreading in other cities as well. In addition, there are music centers in every lane of Peshawar. Only the drug stores and the music centers are open throughout the night. A light indicates whether a drug store is open and the eye alone can see it, but a music center offers a listening invitation to your ears also. At times, I think of the plight of those living around the stores. VCR and their cassettes are available from these music centers. Most of them consist of new and old Indian films. Upon the request of the customers, most films made between 1940 and 1965 have also been ordered. Only God or those who obtain such films know how they are made available. Their business is flourishing these days. The VCR fans are also adorers of the blue print [dirty movies]. Along with some films, to change the taste they always take one blue print also. Obviously, due to nudity the blue print rents for more. If a film cassette can be obtained for 25 rupees per night, the rent for blue print is three times more. The number of people engaged in the business of

such music centers is increasing day by day. This business extends from the shopping centers to small lanes. If there are forty music centers on University Road, their number is no less in the narrow and dark lanes of Karim Pura. Assiya or Karim Pura, no place is without this business? The question is: Will the current ordinance apply to music centers as well or are the music centers excluded from the category of Bara? Closing these music centers will really create problems for some, since by now the people have formed so much of a habit of VCR that they must see a cassette once a month, if not once a week. Many people have sold even their wives' ornaments to buy VCR and colored televisions. The businessmen and other people doing import-export work are owners of VCR and colored televisions. If the government enforces restrictions on them, no one is going to stop viewing VCR, but just like wine, its price will increase. Its rent will increase, but it will never vanish.

The official files have thickened with piles of such ordinances. Within a few days, however, these ordinances become victims of oversight by the officials. The special Peshawar Bara market is located in the tribal area six miles away from Peshawar. All fake products are now sold there. Very low quality articles of luxury are sold at very high prices merely by sticking foreign countries labels on them. Many people have now become aware of this fact, but, still they go there to be deceived. The shopkeepers of Bara are on the lookout to rip off visitors from Sind and Punjab. The number of charas, opium and ammunitions shops have increased. These are local items and they are sold as being local, so there is less chance of being deceived. Otherwise, nothing sold there can be trustworthy. Perfumes and scents are totally fake. Imitation goods are manufactured and sold in Hong Kong too. Not only do they come here, they go to most countries of the world. However, the goods sold in Bara are made in its own Hong Kong. Previously these very foreign goods were sold in Landi Kotal. There was cheating in that too, but there was never such fraud and looting. The prices in the entire shopping center were fixed. Here in Bara, if after haggling you have reduced the price to half of what they tell you, you must realize that you still bought that thing expensive. This is the height of black-mailing, and this is the situation of the biggest Bara market. What is the condition of the Bara markets that have opened all over in every city? Everyone, knows the truth about them, but still looking for something new, crowds of people go there, needlessly buy something and regret afterwards. The Bara markets selling smuggled goods, or pushing them as such, operating in various areas of Punjab and Sind and the markets in Sadar and the city of Peshawar itself, operating under the shadow of the Big Bara, may close. But the Big Bara will remain open, since that area is located outside. The goods will continue to filtrate from there.

It is true that the ever-increasing tendency of using foreign items badly injures the national identity, but why do not our people trust their own country's goods? Every shop in Peshawar has foreign goods and the customer's demand there is for foreign goods only. Mostly the machinery in our country is foreign. All types of locomotives are foreign. Now, how can their spare parts be local, and then why should someone install local spare parts

in a foreign car? That is why smuggled foreign goods have filled every shop here. The shopkeeper profits from this. The custom, excise and police regularly receive their share from these shops. After a discussion with the businessmen of automobile machinery and other parts, the writer has come to the conclusion that no one is happy to give monthly bribes to the police, but they are compelled to do so, since they too have to survive and establish their status in the society. They have to compete with their neighbors. Why should their standard of living be lower than their neighbors? Why should their children wear cheaper clothes and be lesser in dignity? Due to the inefficiency of government schools, why should not their children study in public [private] schools, since, due to certain reasons, they themselves were deprived of the wealth of education? Admission in an English medium school has become a sign of honor and fashion, just as buying foreign cloth from the Bazaar market has become our weakness. The fault is not only ours or of the shopkeepers; it is of the factory owners. Pakistan is the biggest cotton producing country in the world. It should be the leader in textile industry. Pakistan's cloth is still very fine and of high quality. But due to dishonesty, we cannot maintain our standard. Any new Pakistani cloth produced sells instantly. Nevertheless, the same factory never produces cloth of similar quality, since there is no control over quality. The people, therefore, are forced to turn once again to the Bazaar market.

9779

CSO: 4656/31

#### DUE IMPORTANCE URGED FOR DATA COLLECTION

Karachi BUSINESS REPORTER in English 19 Nov 82 p 2

[Text]

The 10th Pakistan Statistics Conference held in Islamabad in April last had made certain important recommendations to the Government so as to ensure prompt collection of reliable data regarding the country's socio-economic situation. The need for the collection of statistics cannot be over-emphasized. No development planning is possible without the availability of correct and reliable information of the stage of development in various sectors of the society. The Finance Minister, Ghulam Ishaq Khan who had inaugurated the conference had also stressed the need for establishing a dependable information system which could fulfil the exacting demands of users and hoped that statisticians would help accomplish the task. He had also observed that statistics had made an impressive advance in Pakistan in each of the required spheres. Commenting on his remarks then we had pointed out that the

claim could not be substantiated by facts: "On the contrary the data collection so far has not been assumed the importance it deserves and, as such there is dearth of comprehensive and reliable statistics about each and every sector of our socio-economic life. This is ultimately reflected in wrong planning and colossal wastages in our scarce resources". We are glad to see that now progress is being made in this regard, but we have still to go a long way to stream line the system of data collecting.

One of the major defects, say a critics, is the doctoring of statistics. This is done with political motives and predetermined objectives. Data has been cooked up and presented to the people with boasts of having made spectacular progress in specific fields. Actually there was no progress. After the set of people who cook such figures under orders of the rulers of the day are removed from the scene, those who

exceed them take those figures as correct and base further planning on cooked-up statistics. The results of such planning are obvious. The difficulty is that the statistics compiled in this way or in any other way, cannot be checked or counterchecked because there is no other source of data collection. An alternative source could be provided by the trade bodies. It is regretted that these bodies have never paid any attention to this job which could be of immense help to them as well.

The Statistics Conference had made as many as 18 recommendations to the Government to ensure proper and systematic collection of statistics. Though eight months have passed since then, nothing appears to have been done to implement the recommendations. These recommendations included only some administrative reforms like the transfer of the census of Manufacturing Industries, from the Provincial Directorate of Industries to the Provincial Bureaus of Statistics, association of universities with the statistical agencies, strengthening Bureaus of Statistics of NWFP and Baluchistan, etc. Even such

recommendations remain unimplemented. There have been constant complaints regarding duplication in the collection and dissemination of data by various agencies. The data released by an agency on one particular aspect never tallies with the data released by the other agency. Very often the discrepancies are so wide that it becomes impossible to decide which one is to be believed.

We are now on the threshold of launching the Sixth Five-Year Plan. We are at a loss to understand how, in the absence of reliable data, our planners would have prepared the plan. If the plan is based on the same old doctored figures, will it not meet the same fate as our earlier plans have met? It is time that the significance of collecting correct data was realised by the people in authority and due attention was paid to the job which is, in fact, the very foundation of the planning. We would urge the private sector also to set up research cells in various bodies like the chambers and associations to collect correct information about the state of our economy. This would help them and the Government both in achieving the socio-economic goals in concrete terms.

## RAILWAYS FINALIZE SIXTH PLAN REQUIREMENTS

Karachi BUSINESS RECORDER in English 20 Nov 82 p 1

[Text]

LAHORE, Nov. 19: The Pakistan Railways has finalized period and requirements of its sixth plan at a meeting of the Pakistan Railways Board here recently.

During the period of sixth plan, first priority would be given to stabilizing railways track and renovation of tracks between Lahore-Peshawar and also branch lines to lessen the dereliction.

A U Zafer, the General Manager of Railways said here today, during the next plan period, improvement of locomotives and purchase of new locomotives would be done, while the new factory for manufacture of the locomotives would also be completed.

He said during the next plan period augmentation of coaches and wagons and improvement of terminals would also be taken up. The railways has also wanted to have double track between Lahore and Karachi to reduce the time of trains. He said that from Multan to Shershah were already provided double track.

While a plan has been prepared to link Multan to Ghribabad with double track would also taken in hand during the next plan period.

He said from Lodhran to Karachi was double track and Lahore and Rawwind were also connected with the double track. The Pakistan Railways had to lay double track between Rawwind to Multan and from Shershah to Lodhran.

The General Manager said the laying of the double track would required lot of money and hoped some work would be done in the next period and rest of would be completed in the seventh and eighth plan period.

He said that improvement of the Quetta Zahidan track would also be done during the next plan period, in order to operate diesel locomotives on this track and provide rail service between Quetta and Zahidan through which Iran would be benefited.

The General Manager said that during the next plan period the railways also desired to extend the rail service from Sibbi, Khost and Bostan, this would help in transportation of min-

eral wealth to the part of the country, he said that area was full of coal, and other mineral, but due to unsatisfactory transportation the full advantage of natural wealth could not be utilized.

### SLIPPER FACTORY

He said that the new concrete slippers factory had been completed but its moving by manual labour is costly and consumed much time, so avoid this the railway wanted that carrying of these slippers and putting these on the track should be mechanized, during six plan period mechanized lifting of slipper would be done.

Replies to a question, the General Manager said that the development programme is required billions of rupees but the resources available was not so far been intimated to the railways.

After the plan was approved by the government and money put at the disposal of railways then he would be able to say about the amount to be spent on sixth plan period.—PPI.

CNO: 4200/177

## SHRIMP ESTATE IN SIND PLANNED

Karachi BUSINESS RECORDER in English 20 Nov 82 p 1

[Article by G. N. Mughul]

[Text]

The Sind Government plans to establish a shrimp estate, spread over nine lakh acres in the coastal areas of the province, it was reliably learnt yesterday.

The estate will be established in phases. In the first phase, the Government has earmarked about 16,000 acres of land, 10 per cent of which has been reserved for providing necessary infrastructure and another 10 per cent—of inferior quality—for setting up the farms. The remaining 12,000 acres of land have been reserved for lease to the private parties for setting up shrimp farms.

According to informed sources, by the last date for receiving applications for leases, 15th October, the Government received about 1,000 applications.

A high level committee constituted by the Government is processing the applications and is expected to grant leases to the qualifying parties very soon.

According to the plan, iceplants, processing plants, storage houses, workshops, roads etc will be established in 1,600 acres of land reserved for the infrastructure. The authorities are considering to obtain funds for infrastructure either from the Federal Government, some international agency or cooperative societies.

According to an estimate, normal production of shrimps in these farms should be at least 350 kg per acre per month.

The terms and conditions of lease are:

—The land shall be leased out in blocks measuring five, twenty and forty hectares.

—The lease shall be for a period of thirty years but may at the option of the lessor, be renewed for a further period not exceeding ten years at a time.

—The lease money for the first year of lease shall be paid in lump-sum in advance at the time of executing the lease deed and for the remaining period it shall be payable on or before 31st December, every year.

—The lessee shall also pay all expenses for survey and demarcation of land and construction of boundary marks as and when required.

—The lessee shall, in addition to lease money, pay to the Government or any other authorised authority, occupier's rate, cesses and other charges as may be payable in respect of the land under any law for the time being in force.

—The lessor shall use the land for shrimp farming within one year of the grant and complete the establishment of farming in accordance with the plan and the scheme within five years of taking possession of the land.

CSO: 4200/177

## PLEA FOR REORGANIZING ENGINEERING STRUCTURE

Karachi BUSINESS RECORDER in English 22 Nov 82 p 1

[Text]

S. M. Khan, Secretary-General, Federation of Engineering Associations of Pakistan has urged the Government to reorganise the Government structure on a pattern to give various departments in the charge of the professionals.

Addressing a press conference at the Karachi Press Club yesterday he said that present structure needs to be changed in order to accelerate the pace of development in the country in right direction.

Khan said that Pakistan should learn the lesson from the experience of other countries like Iraq where a large number of ministers, deputy ministers, secretaries, chairmen, and managing directors are engineers and the professionals.

He said that Pakistani engineers have played a vital role in the development of Iraq where Pakistani Engineers and Engineering

companies are presently executing about 600 million dollars worth of intensely technological projects in face of competition from European and other international companies.

"These projects are mainly in the field of Agricultural land development and irrigation" he added.

Giving details in this regard Khan said that 50 per cent projects are undertaken by the private sector and the remainder by the public sector.

He said that competing companies from other countries are all provided with financial support from their respective banking institutions.

On the contrary, he complained, that the Pakistan Banking Council provides most of its support to the public sector companies only and the private sector struggles on its own.

CSO: 4200/178

RECORD COTTON PRODUCTION PREDICTED

Karachi BUSINESS RECORDER in English 22 Nov 82 p 1

[Text]

ISLAMABAD, Nov. 21: The Agriculture Minister, Vice-Admiral Mohammad Fazil Janjua, said here today that Pakistan will have cotton production of over 4.6 million bales this year which would be a record for all times.

Talking to newsmen in Islamabad today, the Minister said that this year's production target was 4.8 million bales. He said that last year the production was 4.3 million bales. He said that last year the production was 4.3 million bales.

SUGAR

Turning to sugar, the Minister told newsmen that a lot of sugar had been brought to the open market from the Government stocks and the price in the market should not at all exceed nine rupees per kilogram. It was brought to the notice of the Minister that sugar was selling now in the open market from 10 to 11 rupees per kilogram.

The Minister said that the area under sugarcane crop in the Punjab this year had declined by 10 per cent while the position was unchanged in Sind.

The Minister said that the sugar production last year was 1.3 million tons while the national requirement was 0.85 million tons.

This year the production of sugar was expected between 1.1 million to 1.2 million tons. — APP.

CSO: 4200/178

## MINISTER STRESSES RESEARCH FOR FARM OUTPUT

Karachi BUSINESS RECORDER in English 22 Nov 82 p 1

[Text]

ISLAMABAD, Nov. 21: The Minister for Food and Agriculture, Vice-Admiral Mohammad Fazil Janjua, today urged the agricultural scientists to make research an effective instrument for raising production of all crops.

Inaugurating a 3-week training course on "Weed science research" at the National Agricultural Research Centre here, this morning, the Minister called upon the experts to devise an appropriate technology for agricultural practices aimed at eliminating weeds, and it should be easily available and within the reach of farms. He said the extension workers and scientists who were engaged in the work in the rural sector were the real agents of change. They could educate growers to harvest bumper crops. He said it had to be explored why the growers were having 15.16 maunds per acre in wheat and why they could not raise it to 35 maunds per acre.

The Agriculture Minister called for the eradication of weeds and pointed out that in Pakistan where the fertilizer is scarce and an expensive commodity the farmers can ill-afford to waste it for the growth of weeds. Similarly weeds consume water in rain. He expected the participants of the course to address themselves to the question of getting rid of weeds at all costs.

This situation created by the weeds is challenging. Estimates of losses in the range of 17 to 25 per cent are known to occur in cereal crops alone.

The Minister said that the traditional farmer should be helped to understand that a strong healthy crop coming from a well prepared seedbed is the best weed control method. He must realize the importance of sowing clean and viable seed. He must be taught management techniques for the removal of weed.

The Minister underlined the need for agricultural scientists to develop appropriate technologies for specific agro-ecological areas of the country and thus help increase production.

## WEED SCIENCE TRAINING

Earlier, in his address Dr. Amir Mohammad Khan, Chairman of the Pakistan Agricultural Research Council, suggested that the weed science training be developed and made part of the curricula.

He said a weed specialists network should be established for organising programmes for faster research on the problem. He stressed that frequent training courses should be conducted on the eradication of weeds which severely impede farm production.

The training course was organised by the NARC in collaboration with the International Wheat and Maize Improvement Centre, Mexico and the International Plant Protection Centre, Oregon State University Corvallis, Oregon, USA. The US Agency for International Development provided assistance for organising the programme.

Agricultural scientists, extension workers and university teachers are participating in the course.—APP.

CSO: 4200/178

NEW SCIENCE POLICY FROM JULY NEXT YEAR

Karachi BUSINESS RECORDER in English 21 Nov 82 p 3

[Text]

LAHORE, Nov. 20: The governing body of the Islamic Foundation for Science, Technology and Development, a 15-Nation Organisation set-up by the Organisation of the Islamic Conference (OIC) will meet on Nov. 27, in Jeddah, the foundation's headquarters, and discuss ways and means to enhance collaboration among the Muslim countries in the fields of science and technology.

The meeting, scheduled to last for two days, will be chaired by the Foundation's Director General, Dr. Ali Kittani this was disclosed here yesterday Dr. M.A. Qazi, Adviser to President on Science and Technology, who will represent Pakistan in the said meeting. In an interview.

He said the meeting would also identify the areas in which the Muslim countries could cooperate with each other.

Answering to a question, Dr. Qazi said the new science policy had been submitted to the Federal Cabinet for approval and that an effort had been made to coordinate this policy with the new five-year plan, scheduled to be implemented from July next year.

He said that the government attached tremendous importance to the progress in the field of electronics and that the Institute of Elec-

tronics in Islamabad had expedited research in this field.

He said while this centre had already manufactured multimeters, frequency counters and power supply meters, it was busy now-a-days in evolving a 256-line electronic telephone exchange. he hoped it would be ready by the end of next year, subsequently, he said this institute would make exchanges of 500 to one thousand lines, the electronic telephone exchanges would replace the existing ones in the country, he added.

Replying to a question, the Presidential Adviser on Science and Technology disclosed that the Federal Government was seriously considering to set-up an Ocean Science and Technology College in Karachi to train the people in oceanography to enable them to exploit the ocean resources.

Possibility of this college was being studied and it was expected to start functioning in about two years time.

Answering a question as to what measures the government was taking to control braindrain, he said the government would improve the working conditions of the scientists and added that the A.G.N. Qazi's committee was considering improvement of scientists career in the country.—PPI.

CSO: 4200/178

COMMITTEE FOR STEEL PRODUCTS PRICING

Karachi BUSINESS RECORDER in English 21 Nov 82 p 1

[Article by Anwar Rajani]

[Text]

The Federal Government has constituted a four-member committee to determine the capital cost and formulate a rational pricing policy for the products of Pakistan Steel.

The committee is headed by Chairman of the National Fertilizer Corporation Riaz H. Bokhari. The members of the committee are: Chairman Pakistan Steel H. N. Akhtar, Chairman National Development Finance Corporation Zafar Iqbal and Additional Secretary of the Production Ministry M. I. K. Khalil.

The Secretariat assistance and services to the committee will be provided by Pakistan Steel. The terms of reference of the committee are:

—To determine, within the meanings of acceptable definitions of project appraisal the capital outlay of the project by 30th June, 1982 and on full completion of the project.

—To estimate cost of production of various products based on the capital cost arising from number one above at various capacity utilisation levels, compare the same with landed cost of imported products at present tariff levels in

the case of billets and with the cost of competing indigenous products.

—To recommend a procedure for the payment of rebate to exporters of engineering goods using steel mill products.

—To recommend measures, including capital restructuring, to meet losses arising from differential in cost of production and landed cost/selling price.

It may be mentioned here that the 1.1 million tons shore-based steel plant under construction (at a total cost of about 2.5 billion dollars) since 1975, started production of pig iron and coke last year but the downstream units are yet to be commissioned. Currently pig iron and coke are being produced at prices well above international rates, but are being sold in local market at prices substantially lower than the import price.

Actual steel production at the project is likely to start around the end of the year when the steel making plant and billet mill complete their trial runs.

It is reported that the steel mill complex will only have a chance to start breaking even in 1985 when it will operate at capacity and value-added products (cold-rolled sheets and hot-rolled sheets) will be produced.

CSO: 4200/178

PAKISTAN

SAVINGS PLANS REVISED TO ATTRACT OVERSEAS INVESTMENT

Karachi BUSINESS RECORDER in English 18 Nov 82 p 1

[Excerpt]

ISLAMABAD, Nov. 17: To associate overseas Pakistanis with the national savings scheme, the Government has revised the 'Khas Deposit Scheme', under which overseas Pakistanis can make investments in foreign currency and get profit in the same currency.

The benefits of the revised scheme were explained to the Pakistanis living in the Middle East and the Gulf region, by a two-member Pakistan delegation led by the Chief Director, National Savings, Irtaza Zaidi, who has just returned to the capital.

Talking to newsmen here today, Irtaza Zaidi said that the response from the overseas Pakistanis was very encouraging within a month they have made an initial investment of Rs. 30 lakh in the 'Khas Deposit Scheme'. He said this investment is in addition to the investment which will be channelled through the Pakistani commercial banks. He said drafts and queries for the scheme have started pouring in.

Explaining the revised scheme, Irtaza Zaidi said if the investor does not return to Pakistan permanently or his stay in Pakistan does not exceed six months in a year, the profit earned thereon can be repatriated in foreign exchange. In case of death of an investor, payments will be made to his nominee or legal heirs in Pakistan currency only. The principal amount and the profit will accrue in Pakistan rupee and its repatriation would be admissible in accordance with the exchange rates prevailing on the date of remittances, through the normal banking channels.

CSO: 4200/173

## FORMER PRESIDENT MIRZA'S TAPE TRANSCRIPT RELEASED; INFIGHTING DESCRIBED

Karachi DAWN MAGAZINE in English 19 Nov 82 p I &amp; V

[Article by Yehia M. Syed]

[Text]

Iskander Mirza has been condemned, criticised and castigated, both by the politicians and by the historians, for introducing many ills and evils into the body-politic of Pakistan during its formative years. But, certainly, Mirza too must be having his side of the story.

A unique interview was recorded by Iskander Mirza at the request of Mirza Abul Hassan Ispahani, a family friend, to help future historians put the record straight, especially because the "General was condemned for all that has happened during the period (he) held reins of power in Pakistan", to quote Ispahani, particularly after the publication of Field Marshal Ayub's book "Friends not Masters," which to quote Ispahani again, "appears to have put a royal seal on (Mirza's) mismanagement and inefficiency."

The interview was recorded in London on September 23, 1967, — nearly two years before Mirza's death. I'm grateful to Prof. Dr Syed Zawwar Hussain Zaidi, of the History Department, School of African and

Oriental Studies, London, for the transcript of the Mirza interview, which, at places, has been corrected in Iskander Mirza's own neat hand.

How did Iskander Mirza get into the Cabinet?

"...in 1954 September, I think you remember, one day you (Ispahani) came to the London hotel I was staying in" Iskander Mirza told Ispahani in his recorded interview, and told me: 'Let us go to the airport as the Prime Minister Mohammad Ali Bogra, is returning from the United States' So I accompanied you to the airport, here we found that Mohammad Ali Bogra and Chaudhry Mohammad Ali and party had already arrived before us.

"As soon as Mohammad Ali Bogra saw us, he said: 'Don't you know there is a great deal of trouble in Karachi and they have just heard from one of the ministers — Mr Mallick — (perhaps, Dr A.M. Mallick of East Pakistan) on the telephone that the Governor-General Ghulam Mohammad is about to declare Martial Law'.

"I knew nothing about it and was astounded. Just then Gen Ayub Khan also came from America and he also joined us. I told Ayub what I had heard. Ayub took me aside and said: 'Do not propose anything, because before leaving for America, I had been promised by the Governor-General Ghulam

Mohammad that I shall be asked to take over the country'.

"I replied: 'Look, it would be a very stupid thing to do. He (Ghulam Mohammad) is a very sick man and you must not take everything he says seriously. Let us have time to see how things come about when we return to Karachi'.

"Then Mohammad Ali Bogra asked me if I could get a special aeroplane so that we could get back quickly. I tried to get a Canberra from the RAF, but it was not possible. So another aeroplane, I think it was an Argonaut, was placed at our disposal and we all, including Mr Ispahani (who was the Pakistan High Commissioner in London then) flew to Karachi — even without saying good bye to our wives.

"On arrival at Karachi, we found an enormous crowd in an excited state and the amusing thing was that on the way Mohammad Ali Bogra asked me if I could arrange for some army to guard him at the airport. I suggested it could be arranged. I asked: 'But do you really think it is necessary?' He replied: 'Yes' as his information was that it would be very necessary.

"I telephone to General Musa by serial telephone from the aeroplane to inform him that we were arriving at such and such a time and could he very kindly arrange for a Company in battle order to be ready on the airport to protect the Prime Minister.

"When we landed, we found a very excited crowd running here and there with the Director of Civil Intelligence running from one side to the other. The whole place was like a mad house.

"I then suggested to the High Commissioner, Hassan Ispahani to hold of Bogra, put him in a car and take him to the Governor-General house and I would follow, later with the others.

"When we got to the Governor-General's house and Gen Ayub and myself went towards the Governor-General's room, there was no sign of Mr Ispahani and Mohammad Ali Bogra.

"When we got in there, we saw Chaudhri Mohammad Ali pacing the room and the Governor-General Ghulam Mohammad lying on the floor on a white sheet in a terrible state. He was almost foaming at the mouth and striking (his face) right and left. His face was red, and he looked really ill and not quite in his senses. We asked him what had happened, why he was lying on the floor and why was he in such a state.

"Oh, I am very angry" Governor-General Ghulam Mohammad said, "I want to get rid of this Government. I do not want to see the face of the Prime Minister. He has been disloyal to me and I want you to take over the country".

"I talked to him gently and said: 'Look, this is not the way to do things. What will the world say? You wait, Mohammad Ali Bogra must have come by now and he would come up and you must see him and have a heart-to-heart talk. You can settle things like this'.

"So, one of the sergeants was sent down and Mohammad Ali Bogra with Mr Ispahani entered the room. In the first moment I thought that the Governor-General was going to burst and would have a collapse. But gradually he recovered and started talking, though he was still very furious.

"However, things came to a pass and they came to an agreement on the basis that a new Cabinet would be formed and the Assembly would be suspended and things would start de novo the next day.

Chaudhri Mohammad Ali was running between the Governor-General and Bogra, trying to draft something for all, this to take effect the next day.

"The next day, Ghulam Mohammad gave a list of names of the persons he wanted in the Cabinet — that of Ispahani, Gen Ayub, myself (Iskander Mirza) and Chaudhri Mohammad Ali, with Mohammad Ali Bogra as the Prime Minister. He told Bogra to select the others. So we sat down in the Cabinet room.

"A Government was selected and sworn in the next day. Our job was to try and clean up the administration as much as we could and to work for the bringing in of the new constitution so that the people may start having a share in the government of the country.

"This was our principal task, but before we could come to it, it was decided to have a sort of election. It was not yet understood on what basis and who were the electorate and it was a big task in my opinion.

"However, some of us were selected and some not and another Cabinet was formed after about six months and then the constitution-making started sincerely and Mohammad Ali Bogra had to go away as Ambassador, an assignment which he was very fond of.

"We also very unfortunately lost the services of Mr Ispahani who refused to be elected on the terms proposed. A few months after this, the Governor-General got very seriously ill and it was quite impossible to do anything about his health, because he was suffering from paralysis, heart trouble and very high blood pressure. Doctors said that he must not continue as the Governor-General for the moment".

How did Chaudhri Mohammad Ali become the Prime Minister?

"The Cabinet decided that I should act as Governor-General. But as soon as I took over as Governor-General, the question arose as to who should be the Prime Minister. Bogra was going to America as Ambassador and then Chaudhri Mohammad Ali, accompanied by Gurmani came to me and said that it is the opinion of the Muslim League party that Mr Suhrawardy, the leader of the Awami League, who had about 13 men in the Constituent Assembly, should be the Prime Minister.

"I said: 'It is a very peculiar way of starting a new Government, because in my constitution the largest party forms the Government and I

really cannot understand how I can override this elementary provision'. I said: 'I am going to ask you, Chaudhri Saheb, to form a government. If you are not able to form the Government, then it is upto you to come to me and tell me that you have failed. You can't tell me to ask this man or that man to be Prime Minister.'

"He then told me that he would like to be Prime Minister and work the constitution on which he had worked so hard, provided I talk to Mr Suhrawardy and try and get him round. I said: 'I will try'.

## Opposition

"I went to Mr Suhrawardy's house and I talked to him and ultimately he agreed that he would not vehemently oppose Chaudhri Mohammad Ali's Government, but he will be in the Opposition but he will not be in the Government himself. I said: 'This ought to be enough for you Chaudhri Mohammad Ali' and he formed a Government. This Government brought in 'The One Unit Scheme' by which I mean that it was decided that the whole of West Punjab, Sind, Frontier and Baluchistan should lose their respective identities and merge into one province to be known as West Pakistan province".

Were you not one of the prime movers of 'One Unit'? Did you not use your influence, especially on Khuhro and others, to help form 'One Unit'?

Mirza replied, "I was sitting in the President's House when the telephone call came from Lahore and Dr Khan Saheb told me that he had formed a new party. I said 'what party?' He replied: 'I've formed the Republican Party'. I asked 'Why?' He said 'because I cannot trust the Muslim League. They have done me down and I have formed the new party'.

"I asked: 'Who has joined your party?' He replied 'most of the members of the Muslim League'. So I expressed my surprise and I said that I personally was against the fragmentation of the Muslim League in this manner and I did not understand why this has been done 'and have you consulted Nawab Gurmani'? He replied, 'Nawab Gurmani is the man who put this idea into our head of forming the Republican Party'.

"Now when a Prime Minister of a country comes to the President and tells him to shoot him because he had made too many mistakes and is almost weeping, the only conclusion the President can arrive at is that the man has lost his nerves and is no longer able to continue as Prime Minister".

"So I said, 'Have you spoken to the Prime Minister, Chaudhri Mohammad Ali?' He replied, 'No. Why should I?' I said, 'When you are breaking a party, you might have talked to the Prime Minister, who after all is the head of the Muslim League Party'. He said, 'No. We have not talked to him'. So I said, 'You haven't been very wise. However, see what you can do and talk to him'.

"But in the meantime Chaudhri Mohammad Ali had also heard of this and he came to see me looking very sad and glum and said 'this is what they have done'. I said, 'I have no hand in it, Mohammad Ali. This is the hand of your great friend Gurmani. I am told that the whole conception is his. I have nothing to do with it and whatever anybody might say, I have nothing to do with it. I can't tell them to break the party; just as I could't tell them not to form the party. I cannot tell them to break it. It is for you as the Prime Minister that this thing dies in its infancy'.

"But he did not take any action and also the Muslim League members of the Punjab Assembly joined the Republican Party and when the vote of confidence in Dr Khan Saheb came, he won by one vote of the casting vote of the President who was also a member of the Republican Party and had been the Chief Minister of Khairpur State, Mumtaz Qizilbash.

"Chaudhri Mohammad Ali decided that he would not remain President of the Muslim League, but will make Sardar Abdur Rab Nishtar President. I was going on tour to the Chittagong Hill tracts. Before going I sent for Chaudhri Mohammad Ali and I said 'Look, you know Nishtar, perhaps, for ten years. I have known him for 25 years. Please listen to me and do not make him the President of the Muslim

League or you will be in trouble'.

"He is a religious fanatic and he will work against you behind your back and he will try and control the whole government as President of the Muslim League because he seems to think that he is no less a man than the Quaid-i-Azam.

"Chaudhri Mohammad Ali hummed and gave me no direct answer. When I was in East Bengal (I had returned from the Chittagong Hill tracts to Dacca), I got a telegram from Chaudhri Mohammad Ali requesting me to return to Karachi as early as possible as things were not going as well as they should and there was a Muslim League agitation on minor points.

### 'I know him'

"So I returned to Karachi as quickly as I could, cancelling my tour to the Sunderbans and had talks with Chaudhri Mohammad Ali, who said, 'You were absolutely right about Sardar Abdur Rab Nishtar and now I am having all sorts of trouble'.

"I said, 'this will increase — these troubles will increase because I know him (Nishtar)'. I said, 'Liaquat Ali Khan was a clever politician, why did he take the job of the President of the Muslim League when the Quaid-i-Azam died, because he knew that somebody else whosoever he appointed will try and control the Party through this organisation'.

"I said, 'He was a wise man and he kept that up and this was also kept up by his successors as Prime Ministers and you had no reason whatever to divest yourself of a very strong position in the country'. I said there is very little that I can do to help. However, we will have to go on. The agitation started. His house picketed, police action; dis-

turbance was increasing and one day Chaudhri Mohammad Ali comes to my office and says; 'Please shoot me, I have made too many mistakes'.

"Now when a Prime Minister of a country comes to the President and talks him to shoot him because he had made too many mistakes and is almost weeping, the only conclusion the President can arrive at is that the man has lost his nerves and is no longer able to continue as Prime Minister.

"Just about then Nawab Gurmani also came from Lahore to see me on some problems and talking about Chaudhri Mohammad Ali I said, 'Things are not too good. This man who has brought the constitution has lost his nerves within a year and I do not think that it is fair in the country that he should continue as the Prime Minister'.

"Nawab Gurmani agreed so I then sent for Chaudhri Mohammad Ali and spoke to him. I said, 'Don't you think, you should resign and go to England for treatment?' He said; 'I have no money go to England for treatment.' I said 'that can be arranged by Government and I shall see that you get enough to have a proper treatment in London'.

"This was the first instalment I had of trying to run the 1956 constitution which I, from the very beginning told Chaudhri Mohammad Ali, will not work in this country. The constitution we had brought in was just like the British constitution but we had forgotten the main thing in the British constitution — the permanent Head of State. Countries like France which are far more educated and advanced than we are, have failed to run this sort of constitution and I was telling him from the very beginning to try and get some constitution which would run in the country and to this

"That night, at about two, I got a message from our Ambassador in Teheran, Gen. Reza, (saying) that the British Ambassador wanted to see me urgently. It was then four o'clock. In the morning when the British Ambassador arrived he said that the British Government had received information that the Pakistan Prime Minister had declared in an open meeting in Karachi that he was going to leave the Commonwealth."

end I also got an American to advise, but everybody was determined to have this constitution and now this is the first instalment I said God knows what would happen in the future".

## Old idea

Ispahani: "Iskander tell us why did you keep on changing Ministers and Prime Ministers as often as we change our singlets on a hot humid summer afternoon?"

"After Chaudhri Mohammad Ali had a breakdown ... I had to think whom to get as the new Prime Minister. I had a talk with Dr Khan Saheb and Nawab Gurmani and I said: 'I think that it would be better if we went back to the old idea of the Muslim League and got Mr Suhrawardy to form a Cabinet in cooperation with the Republican Party.

'Between them they had the majority to do so. The Hindu members could also support this coalition. They all agreed that a trial should be given. As in my opinion Mr Suhrawardy was a brilliant parliamentarian and a very clever man, I decided to give him a try.

I sent for him and asked him, 'Would you be able to form a ministry in coalition with the Republican Party and the Hindu members of the assembly?' He said that he could quite definitely do so. Then I told him to go ahead and have a talk with Dr Khan Saheb, leader of the Republican Party, and see what he could do about it.

"He came back after a short time and said that he was ready and that he would give me the names of his Ministers the next day and accordingly his Cabinet was sworn in. He worked very well. He was the first man who had the courage to bring the issue of the Baghdad (Pact) in the Assembly and the motion supporting the Pact in parliament. He

was very fond of touring outside countries and there were lots of troubles connected with them which I disregarded because he was carrying on the administration better than his predecessor.

"I had a long standing invitation to go on a State visit to Iran in late October 1956. Suhrawardy was then in America and was due to arrive the day after I left for Iran. But, on the evening of my going to Iran, I received a telegram brought to me by the British Deputy High Commissioner from his Prime Minister, informing me of the attack on Port Said and of the action they were going to take in regard to the Suez Canal.

"I expressed my surprise that I, as the Head of a Commonwealth country, was faced with a fait accompli and at a time when I am about to leave the country to go to Iran. But I said, I would try now to send a telex to His Imperial Majesty, the Shahinshah of Iran and request him to invite the Prime Ministers of Turkey and Iraq to come to Tehran to discuss the situation and therefore formulate a plan for joint action.

"I sent the telex and before I left for Iran, in a few hours, I received an answer from Shahinshah of Iran telling me that the Prime Ministers of Turkey and Iraq were reaching Tehran during my visit.

"So I left Karachi at about 4 in the morning and reached Tehran at about 9. There I had talks with His Majesty and awaited the arrival of the Prime Ministers who arrived the same day at different times. There was the usual official banquet at the Gulistan Palace that night and, the next day, things began to move.

We started holding meetings with the Prime Ministers of

Iran, Turkey and Iraq and with His Imperial Majesty in the chair. We discussed the situation. It was not an easy situation. As Muslims, our sympathies were with Egypt, our interest as members of the Baghdad Pact, was to take such action as would not disrupt the Pact and so we decided, after long discussion, to await developments.

That night at about two, I got a message from our Ambassador in Teheran, Gen Reza, that the British Ambassador wanted to see me urgently. It was then four O'clock. In the morning when the British Ambassador arrived and said that the British Government had received information that the Pakistan Prime Minister had declared in an open meeting in Karachi that he was going to leave the Commonwealth.

"I told the Ambassador that it was a great surprise to me. However, 'you may assure the British government that as long as I am President of Pakistan, we are not leaving the Commonwealth so easily and that I must have time to think what action I am going to take to undo the troubles created by that'. I asked the Ambassador to come at about 10 to 11 in the morning when I would be able to tell him what action I have taken.

"As soon as the Ambassador left, I tried to go to sleep but I could not because I was worried. So I sent for the Military Secretary, gave him a letter to the Prime Minister, Mr Suhrawardy, and sent him to Karachi in my plane and asked him to deliver the letter on arrival to Mr Suhrawardy and the aeroplane should await the Prime Minister's orders.

"In the letter I had asked the Prime Minister that the situation here was rather difficult. As the Prime Ministers of all the other Muslim countries of the Baghdad

"When we got in there, we saw Chaudhri Mohammad Ali pacing the room and the Governor-General Ghulam Mohammad lying on the floor on a white sheet in a terrible state. He was almost foaming at the mouth and striking (his face) right and left. His face was red, and he looked really ill and not quite in his senses".

If I were here, it would be better if you came as well.

"He arrived the next day. I saw him and said that his China visit seems to have completely changed him and it was the first time that I got an inkling that he was not a stable man because when he was in Tehran and the other Prime Ministers talked to him he was more for anti-Arab action than anybody else.

"After having delivered the speech in Karachi that he would leave the Commonwealth if Britain did not immediately evacuate the Suez Canal and Port Said areas, he was more with them than anybody else. So I came to the conclusion that I hadn't got a very stable Prime Minister in dealing with foreign affairs. He is likely to change at any moment. I kept this thought entirely to myself and we returned to Karachi as quickly as possible and cancelled our visit to Iraq.

Matters went on like this until suddenly one day Dr Khan Saheb and other members of the Republican Party arrived in the Government House to produce certain speeches of Mr Suhrawardy which he had made in different parts of West Pakistan attacking the Republican members. They said that it was impossible to cooperate with the man and that they wanted to get rid of him.

"I remember that at that time there was a great deal of talk and rumours about corruption in the Ministry of Industries and Commerce which was forcibly put to me by Dr Khan Saheb. I said 'Well, when we talk with Mr Suhrawardy, we shall try and solve this problem too.' The next day actually the whole day was taken up in clearing up the differences between Mr Suhrawardy and Dr Khan Saheb and we had almost cleared up everything and I said that I must get the signatures of you two on the paper — the next day and I would

draft this pact ready by 11 a.m. and both of you must return.

"During the night I don't know what happened, Mr Suhrawardy before informing me sent a letter to one of the newspapers ... that he has demanded summoning of the Assembly and that the differences with the Republican Party were of no consequence as he has an absolute majority — he having 13 members of the Awami League in the Assembly.

"When I read this, I could not believe my eyes and just then a letter came from Mr Suhrawardy demanding that the Assembly should be summoned. I telephoned Mr Suhrawardy that it was a definite double cross: 'you came to an agreement with me yesterday that you would agree to the conditions of the pact, one of which was that Mr Abul Mansoor would leave the Ministry of Industries or Commerce which ever he was in. And now you have said that you are demanding the recall of the Assembly — without even informing me you put in the Press'.

"I said 'I now demand your resignation within two hours or I shall dismiss you.' He came and actually wept. He said: 'Please'. And I said 'nothing doing, you first put in your resignation'. So he put in his resignation.

"Now the funny thing is that shortly after he resigned and I induced the Muslim League to form a Ministry with the Krishak Proja party and the Hindus. Dr Khan Saheb went and joined Suhrawardy and they became very close friends. That was a very amusing episode for me and I could not have ever dreamt that Dr Khan Saheb would have done such a volte face; once demanding Suhrawardy's head on a platter and then going and joining him. However, I arranged the coalition between the Muslim League and the Krishak Proja and a

Government was formed. This Government, I honestly tell you was the easiest Government to work with. They were honest, they were straight, not brilliant, but quite good, people.

Ispahani: "But who was the Prime Minister?"

"Mr I.I. Chundrigar was the Prime Minister and this Government in my opinion was working and for the first time I did not have worries every day. I had to go on a state visit to Portugal and Spain and so after seeing this Government work for about two months, I left for England and from there I went to France and from there to Portugal and Spain.

"While I was in Portugal, I started receiving telegrams from Mr Chundrigar that all was not well with the coalition and that the Republicans were again creating trouble. I did not take much notice. I finished my tour and came back to Karachi and I met Mr Chundrigar at the airport.

"I said: 'Look on the one hand you all say that the President is only for show, and on the other hand you make him do all the dirty work. Why can't you all solve the differences? Why should I come in all this?'

"He said that 'the situation demands your guidance and interference'. So I again sat in for Dr Khan Saheb and asked him 'What is the trouble now?' They produced some speeches made by Mian Mumtaz Mohammad Khan Deulatana and Chundrigar in West Punjab in which they had strongly supported the Muslim League Party. Dr Khan Saheb said that this was going against the interest of the Republican Party and that they were creating the Muslim League Party over our head.

"I said: 'Look, the Muslim League Party has been in existence God knows for how many years. You are only a two-year show. Why should they not go round and gather support for their party ....

"I arranged a meeting with some of the leaders of the Republican Party to talk matters over. At this meeting, Sir Firoze Khan Noon and Muzaffar Qazibash were present. I told them that I was really fed up to the back teeth with all that is going on. There was no reason for the Republican Party to have stirred up the trouble.

"I also told ... that the speeches cited by the leaders of the Republican Party as evidence for withholding support to Chundrigar did not impress me at all.

"Dr Khan Saheb was surprised that they did not. I repeated there was nothing wrong with the speeches and that they wanted to break the coalition on flimsy grounds and Dr Khan Saheb has gone and joined hands with Mr Subrawardy and I simply do not understand all this.

"I said I would really like to resign and get out of the mess. They got against Chundrigar who was an honourable man. He came and handed in his resignation as Prime Minister. I told Chundrigar that I did not accept his resignation. I will keep you for another month and see if I could get the Republican Party see reason.

"But what I saw was that Dr Khan Sahib and Subrawardy were getting closer and closer. I could not understand this. I asked Dr Khan: 'One day you are kicking and the next day you become blood brothers' He said, 'this is politics'\*

## INDIAN DAIRY EXPERTISE FOR PAKISTAN LIKELY

Karachi BUSINESS RECORDER in English 17 Nov 82 p 2

(Excerpt)

**BARODA.** India experts are likely to be invited by Pakistan to help develop a modern dairy industry in that country reports UNI.

Two milk dairies are to be set up initially at Lahore and Karachi. The World Bank project will be set up with a capital of Rs. 50 crore.

Like "Operation Flood" of India, which was launched by the National Dairy Development Board (NDDB) about two decades ago, the Pakistan project will be funded through soft loans and gifted commodities which can be reconditioned into liquid milk and sold into urban markets.

A World Bank team led by NDDB chairman V. Kunen, had recently visited Pakistan to review that country's dairy and livestock sectors. Other members of the mission were Dr. W. Hardwin (livestock specialist), Dr. M. Hahe (marketing and management specialist), R. Nager (rural development planning) and R. Dennis (dairy technologist).

Dr. Kunen told UNI 40 km. from here, that the World Bank had sought NDDB's assistance in implementing the project in Pakistan based on the World Bank team's recommendations. A final decision on this will be taken shortly by the Indian and Pakistani government, he said.

According to Dr. Kunen, indigenous milk production in Pakistan was estimated at only nine million tonnes annually even though it has some of the finest breeds of buffalo and cattle.

With urban demand growing faster than supply imports of milk powder and other products have increased by 12 per cent annually in Pakistan since 1975-76 and at present account for five per cent of the national consumption, Dr. Kunen said.

India in the mid-sixties was in a similar situation when more than 50 per cent. of its milk powder requirements were being imported. But the position changed after the launching of Operation Flood. There has been no commercial import of milk powder for the last seven years, Dr. Kunen said.

He said that if dairying in Pakistan continued to develop haphazardly imports will rise to about Rs. 650 million by 1986.

In the circumstances, Pakistan's only option would be to take up development of milk production in rural areas and large-scale dairy and livestock units, he said.

As a first step, the Word Bank team has recommended the setting Dairy Federation (PACODAF), a federal body that will be owned by participating milk producers.

PACODAF will establish village level cooperatives in selected milk-sheds. These will be linked together to form provincial co-operative milk producers' unions, he said.

Officials from NDDB will help in the training of manpower and the establishment of spearhead teams to work in the villages, Dr. Kunen said.

The mission has also suggested the setting up of salvage farms to prevent the slaughter of buffaloes and their calves of high genetic potential from the milksheds of Punjab and Sind.

The team had stressed the need for a ten-year perspective plan for dairy development, primarily in the co-operative sector.

A typical milkshed district with 250 village cooperatives should have facilities for milk procurement, processing, urban marketing and buffalo salvage farms it said.

## RAILWAYS' DEVELOPMENT PLANS REVIEWED

Karachi BUSINESS RECORDER in English 22 Nov 82 p 2

[Text]

In the overall economic development of the country, Railways have to play an important role which cannot be overemphasised. The Pakistan Railway Board which has finalised its sixth five-year development plan at its meeting held recently in Lahore, has rightly taken into account the country's requirements for quick and prompt movement of goods and passengers both. The programme which has been chalked out may look ambitious but it has got to be implemented, all the same. In certain spheres plans have been laid down to be executed in the seventh and even eight plan periods. For this the authorities of Pakistan Railways are to be complimented. They are taking a long term view of the country's requirements. But it is in the sphere of fixation of priorities where they have got to be very cautious. The development strategy of the Railways has to be framed in such a way that the areas where vast natural resources lie

untapped, should be linked with the rest of the country on priority basis so that the country could derive the maximum benefit out of them. There are, of course, certain sectors where lack of proper transport facilities has been retarding further growth. The development of these sectors should also be taken up on priority basis. In this regard while endorsing the plan for laying double track from Karachi to Lahore, we would stress the need for the construction of an alternative track linking the southern parts with the northern areas of the country. At present, there is only one track which is being utilised to the maximum. Besides, from the defence point of view dependence on one single route is also unwise. Alternative routes have got to be built on priority basis which would also ensure prompt and quick transportation facilities, a prerequisite for development and expansion of economic activities.

Welcomeing the establishment of industrial estates in the underdeveloped province of Baluchistan, we had made it clear that all such estates should be linked through a railway network. Linkage provided through road transport cannot cope with the accelerated development which is bound to take place there because of its vast mineral resources. Already the area of Hub is coming up as an important industrial centre. If plans are made to link this area through railway, it would go a long way in improving the standard of living of the people all around. Very often the mere existence of a railway link helps in building up important marketing and industrial centres. In this connection we welcome the inclusion of a programme in the next plan for extension of rail service from Sibbi, Kohsar and Bostan which would help in transportation of mineral

wealth to other parts of the country. As the General Manager of the Pakistan Railways A. U. Zafar has himself pointed out, these areas are full of coal and other minerals but due to unsatisfactory transportation full advantage of the natural wealth cannot be derived.

There isn't any doubt that the main source of income to the Railways is the transportation of goods and not the passengers, yet more attention has to be paid to improving the passenger service which at the moment is deplorable. Steps have got to be initiated to improve these conditions so as attain human norms. Yes, at the moment this service is anything but human. As regards the goods transportation, here also much remains to be done. Besides delays, the incidence of pilferage is also alarming. Strict measures are needed to be taken in this regard. Above all, fares and freight rates

are to be kept low. Like all other services, Railways has also been very liberal in increasing freights and fares in the past while the standard of services kept on deteriorating. In all future development plans it has to be kept in view that the costs are minimised so that the rates of service could be kept low.

Railways General Manager's lamentations that though the plan has been made and approved by the Railway Board, the Government has not yet informed the department about the availability of resources, are genuine. Since very little time has been left for the launching of the sixth plan, the Government should come out with the allocations to be made to this sector, so that priorities could be determined and ground prepared for the implementation of the development programme for the Railways.

## LAND OWNERSHIP REDISTRIBUTION ADVOCATED

Karachi DAWN In English 19 Nov 82 p 15

[Text]

PLANNING and development is a difficult task in resource-scarce societies. But the optimism and enthusiasm that the Deputy Chairman of the Planning Commission has shown and the fast-paced public relationing that he has mounted for the ensuing Sixth Five-year-Plan engender the hope that the obstacles to rapid development will be overcome if we have a good plan and we work hard to put it into execution. The Plan is now on the anvil and until it sees the light of day we have to go by the bits and pieces of information that Mr. Mahbubul Haq has been supplying. In this context, one quotes his observation that agriculture will be the pivot of the future plan's development strategy and will receive top priority. He has spoken of a massive thrust towards the cultivation of fruits and vegetables for which vast scope is provided by the virgin lands of Baluchistan where underground water sources could be tapped and harnessed. Together with the development of foodgrains cultivation this can increase food exports ten times over the Plan period. Western economists and World Bank experts and technocrats have also asserted time and again that living standards can be im-

proved in developing countries only if agriculture develops rapidly. They have also been specific that one of the preconditions for achieving this breakthrough is the redistribution of land. In other words, a structural change in land ownership is crucial to the development of agriculture.

In Pakistan, agrarian reforms were carried out in 1959 and 1972 but these measures proved largely cosmetic and did not lead to the liquidation of the vestiges of feudalism and the economic emancipation of the landless tenants and owners of holdings below the subsistence level, both together numbering several millions. The 1972 reforms appeared quite radical but the implementation was not effective and, as such, benefited only a small number of landless tenants. Large landowners were able to retain their holdings through evasion and manipulation. In effect, successive governments have bypassed the question of breaking up the landed estates and transforming the unprivileged and dispossessed millions (the Mustazafeen) into smallholders. Instead, they have relied wholly on administrative measures in their effort to increase agricultural production. Concessions, sub-

sides, incentives and State patronage have induced large farmers to increase output and generate surpluses. Subsidised modern inputs like better seeds, fertilisers, irrigation water and preferential credit and extension services have been provided. However, these facilities have been preempted by possessors of large farms and by commercially-oriented farmers owning middle-sized farms, say of 50 acres and above. On the other hand, high costs of modern inputs and the imperative of credit-worthiness have kept the benefits inaccessible to the peasants who suffer from the disadvantages of poverty, illiteracy and lack of social clout as a group. The result is that, while the output and incomes of large and medium-sized farms have gone up substantially, those of the smaller farms have risen by a narrow margin. The income difference between the first category and the second has widened and continues to widen, thus increasing the social imbalance within the rural community. It is also to be noted that growth has been concentrated in such a low percentage of the farms that the overall national yield per unit of cultivation has failed to go up appreciably.

The social imbalance will have to be curbed and corrected if a true egalitarian society, as envisaged by Islam, is to be established. This will be possible only with the redistribution of land on a big scale. With out lowering the ceiling of land ownership considerably and without reforming the tenancy system, technological advances are likely to aggravate the disparities of income and wealth among the rural population, thus accentuating class differences. The 1972 reforms, though implemented half heartedly, have already raised the expectations of the tenants and the poor peasants. Small farms are known for higher yield levels than large farms simply because the small farmers use their resources and land more intensively. It is on record that distribution of land in countries like Japan, South Korea and Egypt led to substantial increases in output. A study on Japan states that the land redistribution also helps capital formation because peasants are willing to sacrifice or postpone consumption when such an opportunity arises. There should be no fear that land redistribution in Pakistan will disrupt the system of production. For once, the concept of units of cultivation and units of ownership must be separated. Peasants owning small tracts can be grouped together in large units of cultivation with common facilities in order to increase production. At present, the position is reverse. There

are small cultivation units but ownership units are big, enabling big landlords to keep idle land as a portfolio asset rather than as a production unit. The real issue is what should be done to liberate a large section of the rural population from the socio-economic stranglehold of absentee landlordism. This is the key to the wider adoption of modern husbandry and the participation of the bulk of the rural population in the task of national development. Over-reliance on growth in the kulak segment of agriculture may yield increases in overall output in time to come, but cannot achieve the kind of breakthrough Dr Haq has been talking about. Moreover, it will neither release the energy of the dispossessed millions nor produce a more egalitarian order in rural Pakistan. These are some of the issues that require a thorough and impartial examination in order to identify and determine the right priorities for the success of the Sixth Plan in relation to agriculture. While action to accelerate agricultural growth and increase exports is welcome, there must be a realistic and effective way to eliminate rural poverty and dependence. The basic question is whether commercial capital and technology can be a substitute for genuine agrarian reforms and distributive justice.

PAKISTAN

EXPLOITING THE SEA FOR FOOD AND ENERGY URGED

Karachi MORNING NEWS in English 20 Nov 82 p 4

[Editorial: "Exploiting the Sea for Food & Energy"]

[Text] The sea is a vast reservoir of food and energy, and its exploitation offers bright economic prospects, specially for the maritime States. Pakistan happens to be fortunately placed in this respect in that the potential organic wealth in the north Arabian Sea is estimated to be the highest in the world, and practically all of it remains to be tapped. Serious efforts are now afoot in Pakistan to explore its maritime wealth. But, of course, the very basic need in this connection is to thoroughly probe it. Only then it would be possible to assess its potentials, and the most productive areas as also the ways and means to exploit it. The establishment of the National Institute of Oceanography last year has created a base for undertaking the exploration of the sea in a systematic manner. The Institute has already done much preliminary work in this connection, although in view of the gigantic efforts needed to undertake the task in a proper manner it is just the beginning.

The immediate measures needed to give a fillip to the exploration of Pakistan's maritime zone have been suggested by the conference on "Marine Sciences in Pakistan" which concluded its deliberations in the city a few days ago. The various experts, local and foreign, who participated in the conference recommended that to speed up research in the coastal areas of Pakistan and its 200-mile Exclusive Economic Zone. Pakistan must acquire two fully equipped research vessels and also establish on-shore laboratories. It also suggested that the National Institute of Oceanography should issue technical reports and encourage publication of scientific material. These, of course, are the very basic needs to undertake the task of exploration of the sea.

Pakistan's capacity to explore its maritime resources is limited by its financial difficulties and shortage of trained manpower. So far as creating a trained manpower for the purpose is concerned, the National Institute of Oceanography is contributing its mite. In July last, 26 candidates, who completed a three-month course on Oceanographic and Hydrographic Survey, were awarded certificates. Marine exploration requires a multi-disciplinary approach, and the study of the subject must be organised on that basis.

Addressing the recent conference in the city, Admiral Karamat Rahman Niazi, Chief of the Naval Staff strongly suggested the establishment of a college of Ocean Science and Technology to provide knowledge on the three main subjects: marine geology and geophysics, hydrography and fisheries technology. The establishment of such a college is obviously the basic requirement for creating a trained manpower to carry out the task of oceanic exploration ought to be undertaken on a priority basis. A number of states, including the USA, UK, Germany, Japan and some Muslim countries, have offered help to Pakistan in its efforts to explore and exploit the ocean. We hope, they would provide the necessary assistance, financial and technical, in setting up the proposed college.

So far, Pakistan has exploited the sea only for fishing purposes. But that is only an insignificant part of the benefits the ocean has to offer. Under the present circumstances, even the fishing prospects stand in danger of being diminished on account of the increasing pollution of the coastal waters of Pakistan. As a developing State Pakistan's need for energy will continue to grow, and it may be profitable to undertake the exploration of the ocean from this particular angle.

CSO: 4200/172

PAKISTAN

BRIEFS

AIRPORT BLAST CULPRITS IDENTIFIED--Lahore, Nov 12--The police have identified the two culprits who made a blast on the Lahore airport in the recent past but have not been able to arrest them since they are suspected to have fled away from the country, authoritative police sources said yesterday. Both the accused, whose names have not been disclosed, are connected with the terrorist organisation, 'Al-Zulfiqar', these sources said.--PPI. [Text] [Karachi DAWN in English 13 Nov 82 p 4]

MAZARI ON CONSTITUTION--Rahimyarkhan, Nov 13--Sardar Sherbaz Khan Mazari said the 1973 Constitution does not stand abrogated by the imposition of Martial Law. Talking to newsmen in Sadiqabad he also said he is making efforts for the restoration of democracy, enforcement of the 1973 Constitution, release of political detainees and holding of general elections. He emphasised that the political structure and the administrative machinery will not be acceptable unless there is people's participation in them.--PPI. [Text] Karachi DAWN in English 14 Nov 82 p 2]

AMBASSADOR TO EGYPT--Islamabad, Nov 13--The Government of Pakistan today announced the appointment of Syed Zafarul Islam as Ambassador of Pakistan to the Arab Republic of Egypt, says a Press Note of the Ministry of Foreign Affairs.--APP [Text] [Karachi DAWN in English 14 Nov 82 p 2]

ELECTRICITY FOR THE POPULATION--Multan, Nov 14: Nearly 80 per cent of the population of the country including rural areas would be provided electricity cover by the end of 6th Five-Year Plan in 1988, the Chairman of WAPDA, Maj-Gen Ghulam Safdar Butt said here yesterday. Addressing members of the Chamber of Commerce and Industry Multan he said that the rural electrification had been stepped up and 3,000 villages would be electrified each year in future also. He said that the WAPDA has proposed to the government to provide power to villages with 1,000 or more population in Sind and Punjab and 300 in NWFP and Baluchistan in the first instance. He said that problems of load-shedding and voltage fluctuations would be overcome almost in entirety by 1985. The present load-shedding of 600 megawatts would be reduced to only about 100 by that time, he added. He said that President Gen Mohammad Zia-ul-Haq had directed the WAPDA to attend to and rectify complaints of consumers regarding over-billing etc. without delay. Instructions, he said had been issued to the WAPDA employees to take immediate corrective measures.--AAP [Text] [Karachi BUSINESS RECORDER in English 15 Nov 82 p 4]

**Saudi Arabia Biggest Trading Partner**—Saudi Arabia was the biggest trading partner of Pakistan during the financial year 1981-82 when the import from and export to that country amounted to Rs. 8,496.7 and Rs. 1,937.5 million respectively, leaving the balance of trade in favour of Saudi Arabia. Japan occupied the second position in trade partnership with Pakistan which was followed by the United States, Kuwait, U.K., West Germany, Abu Dhabi, China and Italy. These nine countries in total accounted for 68.8 per cent of the imports and 45.5 per cent of the total exports. The balance was adverse with all these countries. The chart depicting in detail the figures of imports from and exports to these countries is given on back page. [Text] [Karachi BUSINESS RECORDER in English 18 Nov 82 p 1]

**BAIZ BACK HOME**--Karachi, 22 Nov--Noted Pakistani poet Faiz Ahmed Faiz has returned to Karachi after a long stay abroad. Mr. Faiz was in Beirut when Israel attacked the city and turned it into debris. With the help of PLO, Mr. Faiz was transferred to Damascus close to him, he will stay for a week in Karachi before going to Islamabad. [Text] [Islamabad THE MUSLIM in English 23 Nov 82 p 8]

**NDP LEADER ON PARTIES**--Quetta, 22 Nov--An ex-Federal Minister and Joint Secretary of the defunct National Democratic Party (NDP) Saleh Mohammad Khan Mandokhel has said that the existence of political parties is sine qua non for the survival of the country. As such the political parties should be allowed to work within the four walls to convene their Central and Provincial Committee meetings in order to reorganise themselves.... Talking to THE MUSLIM today, he referred to the 1973 Constitution which had enough scope for a successful bicameral system. Adding that, there was nothing which could go against Islamic values. The provision for an Islamic Council has also been incorporated in that Constitution. Mr. Saleh Mohammad Mandokhel suggested that the present government should be wise enough to take the necessary decisions it self well in time, about the revival of political activities in the country, rather than leaving this task to the people. Because, he said, the country had a sad experience of the people's taking such decisions during the previous regimes of Ayub Khan and the defunct People's Party. He emphasised upon the need for uniformity of law in permitting the political activities to all the political parties, for the healthy growth of political sense among people. The country, he said, could not be benifited by imposing restrictions upon the movement of political parties, rather it could be harmful for country's future. [Text] [Islamabad THE MUSLIM in English 23 Nov 82 p 8]

**FERTILIZER PLANT PLANNED**--Rahimyar Khan, Nov 21--A DAP fertilizer plant will be installed by Fauji Foundation at Machi Both near Sadiqabad at an estimated cost of Rs 200 million including foreign exchange. This was disclosed by Regional Manager Fauji Foundation Corporation Mian Azizur Rehman, while addressing a convention of FFC dealers and zamindars on the subject of "better supply and distribution of fertilizer during current rabj season," held in Jinnah Hall Rahimyar Khan. He said that this plant would be the

biggest plant in the country with it's production capacity of 1000 tons (2,000 bags) daily. The plant would be completed within two years span of time and the country will be self sufficient in DAR fertilizers with the operation of this plant he said. Mian Azizur Rehman said Fauji Foundation is already sunning the biggest urea plant in the country at Machi Goth which has been completed by the sources of our own country at cost of Rs 300.30 million. It's annual production capacity is 1.14 crore bags of Sona Urea.--PPI. [Text] [Karachi BUSINESS RECORDER in English 22 Nov 82 p 6]

GRADE DEFICIT WITH W. GERMANY--Pak'stan's deficit in trade with Federal Republic of Germany (West Germany) has swelled to all-time-high figure of more than Rs 2.30 million during last fiscal year. According to the figures Pakistan has been suffering trade deficit almost all fiscal years but it has never been so staggering as during 1981-82. A year earlier in 1980-81, Pakistan's deficit in trade with Germany amounted to about Rs 1.44 billion while it was only Rs 879 million in 1979-80. The main reason for this phenomenal rise in trade gap has been constant increase in imports from West Germany to Pakistan which amounted to about Rs 2.31 billion in 1979-80 and increased to Rs 2.70 billion the following year of 1980-81 and finally to Rs 3.32 billion during last fiscal year. As against this Pakistan's exports to West Germany has gradually decline from Rs 1.43 billion in 1979-80 to Rs 1.26 billion in 1980-81 and finally to lowest at a little than Rs one billion in 1981-82.--PPI. [Text] [Karachi BUSINESS RECORDER in English 22 Nov 82 p 6]

PROPOSAL TO RENAME ROADS--Lahore, Nov 14: The Director-General Lahore Development Authority, Maj Gen M H Ansari, has suggested to the Mayor, Lahore Corporation, to name certain city roads after the holy names of Khulafia-i-Rashdeen. The D.G. has in a letter to the Mayor suggested that certain roads in the Model Town extension scheme, the new Garden Town and Gulberg, without any particular name at present were causing inconvenience to the public. He has suggested that the Main Boulevard, Gulberg, should be named as Khyaban-i-Ali Murtaza, Allama Iqbal Town Main Boulevard as Khayaban-i-Umar Farooq, New Garden Town Main Boulevard as Khayaban-i-Usman Ghani.--PPI [Text] [Islamabad THE MUSLIM in English 16 Nov 82 p 6]

(S) 42(6)/178

SLFP WILL NOT JOIN NATIONAL GOVERNMENT

Colombo THE ISLAND in English 12 Nov 82 p 1

[Text]

Mrs.Srima Bandaranaike has denied that there is any truth in the publicity that the SLFP wants to join a National Government.

In a press statement, she said: "As President of the SLFP, I want to state clearly that the publicity being carried out by pro-government newspapers that the SLFP will join a National Government is not true. After our devastating defeat in 1977, attempts by Mr.J.R.Jayewardene to induce Mr Maithripala Senanayake and me to join in a National Government were rejected by me.

Now, because of the economic crisis and the new hardships which will be imposed on the people in future, there is an attempt to give publicity to the

hopes of Mr.J.R.Jayewardene to form a National Government. This is merely an attempt to make us partners in action which will be against the people. Those who approve this type of action and re joining the UNP saying they want to form a National Government must be branded as traitors of the people.

The present role of the SLFP is not to be a prop to the capitalist, new colonialist UNP but to join hands with all progressive forces and to defeat this reactionary Government. I wish to state that the SLFP is dedicated to this task".

C/S 3: 4200/174

## MEASURES TAKEN TO KEEP RICE PRICE DOWN

Colombo DAILY NEWS in English 11 Nov 82 p 1

[Text]

Several measures to hold down rice prices in the open market have been taken by government. These include the recent reduction in the Food Commissioner's price for imported raw and parboiled rice.

Authoritative governmental sources said yesterday that a searching investigation ordered into the rise in the rice price, particularly in the Matara district, just before the presidential election has now been completed.

The Trade Ministry believes that the only way to hold down climbing prices, normal towards the end of the year, is for the co-operatives to obtain adequate stocks of rice from the Food Commissioner and the Paddy Marketing Board (PMB) at 'near normal prices'.

The availability of that rice in the co-ops will act as a price check on the free market.

The Food Department has already taken action to pass on the benefit of lower prices paid for procuring rice from abroad to the consumer by trimming its prices by 60 cents a kilo.

Imported raw and parboiled rice may now be obtained from the co-ops at Rs 5.75 a kilo, the Food Department said.

Meanwhile the PMB too, has moved to distribute both privately milled as well as PMB-milled rice to the co-ops, Marketing Department, Health Department, Port Authority, the Security Services and the estates.

PMB Chairman D.M.B. Marapone said that they priced a 70 kilo bag of sambe per

boiled and raw rice stocks to last till next January.

He appeals to consumers to buy this rice issued wholesale from PMB warehouses, will be added to meet transport costs.

The PMB said that 2,000 tons of raw rice were distributed to co-ops in the Matara and Hambantota districts in October.

In addition to this the PMB had distributed some 8,000 tons of parboiled rice islandwide for two nationwide for two weeks from the second week of October.

Meantime the Food Commissioner has sold 10,000 tons of rice to co-operatives and private traders throughout the Island during October.

Mr. Marapone added that both PMB and the Food Commissioner have sufficient

EDITORIAL URGES RELIEF FOR LOW INCOME EARNERS

Colombo DAILY NEWS in English 11 Nov 82 p 4

[Editorial: "The Cry for Relief"]

[Text]

For small mercies, much thanks: such visibly will be the reaction of most people to Finance & Planning Minister Ronnie de Mel's assurance that there will be no cuts in social welfare, no stripping of the food stamp scheme now in force.

Humanity will understand the burdens that face most governments in the world today. But it is manifestly the responsibility of all governments, seeking the support of their respective peoples, to weigh the burdens and trials of the latter, in turn.

The cost-of-living spiral, set in motion by the oil war, has wrought untold suffering on millions today. It may have brought plenty to oil producers. But for the moment, it has the rest of the world struggling for survival.

That struggle has taken its toll on our own people. It has had its effects on several sections of the community. Some of them, as the Finance Minister understands, just cannot meet the full cost of their daily bread.

The Mahaweli Scheme, the FTZ and several of the other well-planned schemes for Sri Lanka's development, may hopefully pull us out of our present plight. But no matter who rules today, the factors controlling world prices will lie beyond our control.

To the credit of the UNP, it has been able to obtain aid, grants and assistance on a scale that no other party is likely to match. That assistance provides immediate relief and gives

impetus to reconstruction and development works.

But, while the poorest of the poor need relief on humanitarian grounds, there are several reasons why the island's work-force, why the middle classes, the workers, both white and blue, must also be granted some relief positive and immediate, if the nation's progress is not to be slowed down. For the middle classes are the sinews, the brain-power of any country.

Today, in Sri Lanka, thousands of them can hardly afford to pay the rents landlords demand for a modest dwelling. Taking advantage of the Government's open economic policy, landlords are demanding not just higher rents, but blood money. If there are sections of our people struggling harder than ever for an existence today, there are others who have never had it so good. Expense accounts, tax holidays, exemption from tax in the case of government servants—all go to cushion them for the least want.

What of those salaried classes whose very cost-of-living allowances put them under the taxman's guillotine?

It may help the Government, it may dispel much confusion to know what percentage of its revenue the Government expects to derive by its grip on the pay packets of those drawing less than, say, Rs.10,000 per month?

In today's climate, to tax a man whose sole income is a salary anything up to Rs.5,000 or Rs.7,500 is to squeeze blood from a stone.

Millionaires may not realise it, but lower down the scale, honest workers find the PAYEE tax something like the last straw that broke the camel's back.

Our tax system clearly needs wholesale review. As things are, the mercantile worker, on retirement, has even his gratuity slashed by the Inland Revenue Department. A token cut, it is sometimes called, in the fashion of fighting tribes who feel that the blades of the spears would rust without the smear of blood upon them.

Surely, on the eve of the referendum, it would be a tremendous return for the people's faith in the present government, if it could fix tax liability at a more realistically higher point, if it would do away with cruel cuts on terminal benefits and do away with the blatant discrimination between a tax-free public service and a tax-burdened private sector.

A nation, no less than a man, can pay dear for small frugality.

CSO: 4200/174

DOCTOR'S THREAT REPORTED

Colombo THE ISLAND in English 12 Nov 82 pp 1, 2

[Article by Peter Balasuriya]

(Text)

Mr. Hector Kobbekaduve had told the supporters of Mr. Anura Bandaranaike that he did not need their support and threatened to 'deal with them' after the election. Mr. Basil Rajapakse, Private Secretary to Mr. Anura Bandaranaike revealed yesterday at a press conference.

The press conference was called by Mr. Rajapakse to explain his decision to join the UNP.

Mr. Rajapakse said that President J.R. Jayewardene's success in the recent Presidential elections was a positive endorsement by the people of his sound economic policies and an appreciation of the achievements of the UNP government during the past five years.

Hailing the Presidential election as a unique one, politically, Mr. Rajapakse said hitherto the pattern was to change governments every five years, but this was the first time in the political history of this country that the

people endorsed the policies of a government during the past five years and appreciated its achievements. This was due to the sound leadership of the country by President J. R. Jayewardene and a set of Ministers genuinely bent on the development of the country, irrespective of political affinities.

Associated with Mr. Rajapakse were Dr. Ranjith Atapattu, Health Minister, Mr. Jimadasa Werrasinghe, MP for Tangalle and Mr. T. D. Francisco MP for Mullaitivu, all representing electorates in the south.

Mr. Rajapakse added that up to last week he had no intention of leaving the SLFP which he had served for quite a considerable period. But judging by the UNP's proud record of achievements, he had come to the conclusion that it was the UNP alone which could save the nation and, therefore, took the decision on his own to join the UNP.

Mr. Rajapakse comparing the UNP with the SLFP, said that unlike the UNP, the SLFP had no proper leadership. This was due to divisions within the Bandaranaike family. The party was beyond redemption and it was only Mr. Anura Bandaranaike who could infuse the party with new life. Now that the late Mr. Bandaranaike's policies had been thrown to the winds, people were eager to know what the SLFP's policies were. It was apparent the SLFP had no policy whatsoever for had they a policy, this would have been set down in a manifesto before campaigning for the Presidential election. Mr. Kobbekaduve went before the people without any clear-cut economic policy, criticising the open economy introduced by Mr. Jayewardene's government.

Mr Rajapakse stated that the decision he took was a political one and denied he had any personal motives to do so. Despite much friction, with some party workers on the eve of nominations and even after, he continued to support the party.

Recalling an incident that took place on September 17, Mr Rajapakse said that he, along with 17 others, were summoned to Mrs Bandaranaike's residence to decide on the SLFP's Presidential candidate. He along with the rest opposed the nomination of Mr Kobbekaduve and suggested Mr Anura Bandaranaike name. At this stage, Mr Kobbekaduve had told them that he was not in need of their support and remarked he would take care of them after the elections.

Mr Rajapakse, replying to a question, stated he was aware that some party leaders had made certain pledges to the people in the North. These were pledges they would not have dared to make in the South, he added. Explaining the large number of votes for Hector Kobbekaduve in the north, Mr Rajapakse said these votes were certainly not for Mr Kobbekaduve. They were merely anti-LNP votes.

CSD: 4200/174

## HECTOR FILES PETITION AGAINST PRESIDENT

Colombo THE ISLAND in English 12 Nov 82 pp 1, 3

[Article by Angelo Thanabalan]

[Text]

Mr Hector Kottekaduve, the defeated SLFP Presidential candidate late last evening filed a petition in the Supreme Court challenging the election of President J.R.Jayewardene at the Presidential Election on October 20.

Mr Kottekaduve has cited Mr Lalith Athulathmudali, Minister of Trade and Shipping and Mr Harsha Abeywardena, General Secretary of the UNP as the second and third respondents, respectively. He has filed the petition in terms of Section 93(a) of the Presidential Election Act.

Mr Kottekaduve in his petition has stated that Mr Athulathmudali as Agent of President Jayewardene and/or with his knowledge or consent committed the corrupt practice of making or publishing, during the election, for the purpose of affecting the result of the said election, a false statement of fact in relation to his (Mr Kottekaduve's) personal character or conduct in terms of Section 80(c) of the Presidential Act.

He states that Mr Athulathmudali, at election meetings held in support of President Jayewardene, at Beruwala, Kalutara, Matugama and Bulathkhalana, on September 18, made speeches in which he had stated, inter alia, as follows or words to the following effect -

"It was seen over the television at the handing over of the nominations who is the suitable person to be the President of this country. Mr Kottekaduve without going to the Elections Commissioner to hand over the nomination papers, sent Mr Ratnasiri Wickremayake, the Party Secretary instead. Yet, it was possible for every one to view how modestly our President behaved on that occasion."

Mr Kottekaduve contended that the statement made by Mr. Athulathmudali as the agent of the President and/or with his consent or knowledge was false and constituted a false statement of fact in relation to the personal character or conduct of himself (Mr.Kottekaduve) made for the purpose of affecting the result of the said election.

Mr Kottekaduve has further stated that Mr Harsha Abeywardena acting as agent of the President at the Presidential Elections along with the UNP caused to be printed, published and or distributed handbills or advertisements, placards or posters representing a ration book and containing a photograph of himself (Mr.Kottekaduve) and alleged to have been made by him as well as photographs and false propaganda material against the SLFP.

The said publication was printed published and distributed by Mr Abeywardena and the UNP all over the country during the election campaign between September 17 to October 20, adds Mr Kottekaduve.

He has also stated that the said publication does not bear upon its face the names and address of its printer and publisher which was an illegal practice under Section 85 of the Presidential Act and thus Mr. Abeywardena and the UNP as agents of President Jayewardene had committed the illegal practice of causing to be printed or distributed.

Finally Mr.Kottekaduve has stated that President Jayewardene was not duly elected or returned as President at the Election on October 20 and prayed for a declaration that the election of President Jayewardene was void.

## PRIEST CONFESSES TO TERRORIST LINKS

Colombo THE ISLAND in English 24 Nov 82 p 1

[Article by Feizal Samath]

[Text]

Security forces probing the connections of Catholic priests in terrorist related activities in the North have found that Fr.Singaravelar, presently under detention, had constant contact with terrorist leader Prabhakaran who is in India, Brigadier S.C.Ranatunga, Commander of the Security Forces in Jaffna and Army's Chief of Staff told reporters yesterday.

Addressing a news conference at the request of the National Security Council, the Security chief said that Fr.Singaravelar had under questioning admitted being deeply involved with Prabhakaran's group which was responsible for the Chavakkachcheri Police station attack.

Brigadier Ranatunga who was associated with Army Commander Thia Weerasinghe has briefed the Security Council on the recent incidents in Jaffna which led to the questioning of several Catholic priests. After the Council meeting, Brigadier Ranatunga was authorised by the Council chaired by Deputy Minister of Defence and Minister of Internal Security T.B.Weerapitiya to brief the Press on the events leading to the questioning of these priests.

Fr.Singaravelar had been detained on an order issued by Mr.Weerapitiya for aiding and abetting Northern terrorists. The other priest Fr.Sinnasam presently being questioned was also due to be detained on a similar order. The Jaffna University lecturer T.Nithiyawanda and his wife who admitted to having kept the three terrorists injured in the Chavakkachcheri Police station attack in their house for eleven days were also due to be detained.

The couple was currently being questioned at the Gurunagar Army camp, he said.

Brigadier Ranatunga did not rule out the possibility of the terrorists who attacked the Chavakkachcheri police station last month, escaping to India. Intelligence reports, he said, have confirmed that the Prabhakaran group was responsible for the attack which left three policemen dead and one terrorist badly wounded at the time of the attack who is believed to have died.

He said on information they searched Fr.Singaravelar's residence and found cassettes, slides and literature relating to terrorist

activity. It was also revealed that the priest had received Rs.1.1 million which was part of the money robbed by terrorists from the Neervely Bank. The money had been invested in finance companies and other areas of investment on a request by the terrorists whose identities are now known to investigators.

Altogether, six priests including Fr.Singaravelar and Fr.Sinnasam were taken in for questioning last week. Fr.Singaravelar, the Security Chief said admitted to having connections with Prabhakaran since 1979.

Emisaries had often been sent from India by Prabhakaran to meet Fr.Singaravelar. "He admits that he sympathises with the terrorists", Brigadier Ranatunga said.

Another Methodist priest Fr.Jeyatilakaraja was also being questioned in connection with providing medical aid to the three injured terrorists.

Brigadier Ranatunga has briefed the Bishop of Jaffna as to the plans for the concluding of the year. The Bishop had appreciated the efforts of the Security forces in investigating these terrorist activities, he added.

He lamented the lack of public co-operation in apprehending the terrorists. "If we have full public co-operation in supporting us in our efforts, terrorism can be easily controlled" he said.

A few civilians had also been detained, he said.

JAFFNA BISHOP PROTESTS ON DETENTION OF PRIESTS

Colombo THE ISLAND in English 24 Nov 82 p 1

[Article by D. B. S. Jeyaraj]

[Text]

The Bishop of Jaffna The Rev.Fr.B.Deogupillai has sent an urgent letter to the President Mr. J.R.Jayewardene, over the arrest and continuing detention of two Roman Catholic priests at the Gurunagar Camp by Security forces.

Copies of the letter have also been sent to the Prime Minister, Catholic Ministers and Members of Parliament, the Catholic Bishops' Conference, TULF Members and leaders of religious denominations throughout the country.

The Bishop in his letter has stated that some priests from his Diocese had been taken into custody like common criminals by Security forces in the North last week in spite of his (the Bishop's)

offer to produce them for interrogation if and when necessary.

The Bishop says that the priests had been taken into custody under the cover of the Emergency and the obnoxious Prevention of Terrorism Act which had been condemned by organisations like Amnesty International.

The Bishop states that he vehemently protests against the violation of fundamental rights and also objects to the humiliation and pain of mind caused to the members of the clergy.

He also points out that two priests are being still detained and that moral pressure, intimidation and questionable measures are being adopted to extract confessions from them.

The Bishop requests that the priests be freed immediately and that they could be questioned under the provisions of normal law in the presence of lawyers, if necessary.

CSO: 4200/174

ARMY BARES FACTS ON TERRORISM

Colombo SUN in English 24 Nov 82 pp 1, 13

[Article by Aruna Kulatunga]

[Text] Terrorists from hideouts in South India crossed the Palk Straits to mount the attack on the Chavakachcheri Police Station, Commander of the Security Forces in the North and Joint Chief of Staff, Brigadier Cyril Ranatunga, revealed yesterday.

At least eight of them returned after leaving their dead and injured behind, he told a news conference at Army headquarters.

His revelations came after the National Security Council met last morning to review the security situation in the country. The Council, Brigadier Ranatunga said, had directed him to bare details of findings made by the security forces in regard to involvement of members of the Catholic clergy with terrorist groups in the North. This is particularly in view of conflicting reports in the North.

The terrorist attack on the Chavakachcheri Police Station on October 27 led to the brutal slaying of three policemen and a civilian. The attackers later looted the armoury and removed all arms and ammunition.

At the news conference where Army Commander, Major General Tissa Weeratunga and other Army top brass were present, Brigadier Ranatunga gave details of the arrests of Catholic priests, particularly Father Sinnarayar and Father Sinnarasa.

The details of involvement of members of the Catholic clergy with terrorist groups were revealed exclusively in 'SUN' during the first two weeks.

Brigadier Ranatunga said: "The involvement of Father Sinnarayer in terrorist activities was known to the security forces for sometime. However, as investigations were extremely delicate, we did not move in until we were able to confirm all our information. We also had reports of arms and ammunition being hidden in holy places.

"On November 13, a team of CID detectives along with Army officials visited the Ashram at Columbuthurai, the residence of Father Sinnarayer. They recovered cassettes and records along with pamphlets calling for a separate state of eelam for Tamils. At this time Father Sinnarayer was not present.

"We also found some documents which ultimately proved to be deposit slips for large sums of money in certain finance companies. At this time Father Sinnarayer had been in Colombo. We left a message for him and he reported to the Gurunagar Security Forces headquarters. He voluntarily reported to us.

"When we questioned him, we were surprised to learn that those deposit slips we found in his room were in reality the deposits of Rs. 1.1 million (out of Rs. 8.1 million from the Neerveli Bank robbery) carried out by Prabhakaran, a terrorist leader now living in South India.

"Father Sinnarayer on his own initiative volunteered the information that this money had been handed over to him immediately after the robbery for safe keeping. He had then deposited this money under the names of five different priests after obtaining signatures of these priests. Later a good part of the money had been withdrawn and handed over to Prabhakaran.

"When the news of the questioning of Father Sinnarayer and the other priests reached the Bishop of Jaffna, he was understandably extremely upset. He then requested an appointment with me to discuss the matter. However, I went to the Bishop's Palace and explained to him in detail why we had to take these steps. He then understood our position and was extremely disturbed by the involvement of Father Sinnarayer and other priests with the terrorist movement.

"The next day a delegation, including Bishop Deogupillai and the Bishop of Anuradhapura visited Fr Sinnarayar at the Gurunagar Army camp. Only one of our officers was present at this interview, and that was also at the request of the delegation.

"Following this visit, we further questioned the five priests and then it was revealed to us the involvement of Fr Sinnarasa, the Parish Preist from Delft. He had in his possession nearly one hundred thousand rupees of money from the Neerveli robbery. This money along with 69,000 rupees which was with Fr Sinnarayar was then handed over to us."

Brigadier Ranatunga then described the involvement of Fr Sinnarayar in the aftermath of the Chavakachcheri attack.

He said:

"Before the Chavakachcheri attack was carried out, the terrorists, in a highly professional manner had identified several contingency plans, including one to be put into action if any one of their members received serious injuries.

"The first step of this plan was to contact Fr Sinnarayar, who then contacted a coffee house owner in Jaffna town, who in turn procured the pethedrine pain killer injections.

"Then the terrorists proceeded to the house of Fr Sam Jeyatillekerajah a Methodist priest and forced him to contact his brother Dr Jayakularajah, the resident at the Methodist Nursing Home in Puttur. There the three injured terrorists had been treated by Dr Jayakularajah. However, no operations had been performed contrary to some earlier reports.

"From the nursing home, the terrorists proceeded to the house of Jaffna University Lecturer Nithyanandan, a house which they had earlier identified as a 'temporary nursing home'. Lecturer Nithyanandan's wife maintained contacts for some time with these militant groups, though the army did not have any prior information regarding her involvement.

"The injured terrorists had been harboured in this house for exactly eleven days, and had been removed just prior to the questioning of Fr Sinnarayar.

"None of the priests was ever taken into custody. They were only questioned regarding their involvement. In the case of Fr Donald Kanagaratnam, the Parish Priest of Vavuniya, he was asked to come to Gurunagar and as it was rather late when he arrived there, a service vehicle was dispatched to drop him at a friend's place in Jaffna for him to stay the night.

"In the case of Fr Sinnarayar, the Ministry of Defence served a detention order under the prevention of terrorism act, while we have applied for three more detention orders in respect of the Nithyanandan couple and Fr Sinnarasa. The CID has not yet concluded their investigations regarding Fr Sam Jeyatillekararajah and Dr Jayakularajah and as such we are not in a position to say what would happen to them.

"One point that should be made very clear is that it is individuals who have had contacts with the terrorists and who have been involved with them and that the church as an institution has had absolutely no contact or involvement with terrorist groups."

The Brigadier also said that the situation in Jaffna had also contributed towards the prolongation of the emergency by the Security Council.

CSO: 4200/174

END

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